

# ACTIVITY REPORT 2014

# AMAZON FUND

# MESSAGE FROM THE MINISTER OF THE ENVIRONMENT AND THE PRESIDENT OF THE BNDES

Dear Reader,

It is with great satisfaction that we present the sixth annual report on activities conducted by the Amazon Fund. The year of 2014 ended with some very expressive numbers, both in terms of non-reimbursable financial support, which totalled more than R\$ 1 billion, and in the number of projects approved, some 69 in total. Some 21 projects were approved in 2014 alone. The Fund, therefore, stands apart as a key national policy instrument in combating deforestation and, internationally, as a mechanism to compensate the results achieved in reducing greenhouse gas emissions deriving from deforestation.

Over its six-year operation, the Fund has reinforced its efforts so that local entities receive more and more support to develop their activities. In the 10 projects that were chosen from the call-for-submission for sustainable production projects and approved in 2014, for example, a total of 78 partner institutions, as well as the applicants, are to receive support of up to R\$ 500,000 each. They are predominantly associations and cooperatives, which have direct relations with the territory and the traditional communities, settlements and family farmers. Besides these projects under the wing of these overseeing entities, there are others that work through public calls-for-submission, such as the DEMA Fund, the Kayapó Fund, projects through the Institute for Society, Population and Nature (ISPN) and the Banco do Brasil Foundation (FBB), which provide support to over a hundred smaller projects.

It is also worth highlighting the 2014 launch of the call-for-submission for projects to help design and implement Plans for Territorial and Environmental Management on Indigenous Land (PGTAs), which are expected to generate benefits for indigenous people in the Amazon region, expanding more support to this priority target audience for the Amazon Fund.

Support to implement the Rural Environmental Registration (CAR) was expanded in 2014, expanding into other Brazilian biomes, as established in the decree that created the Amazon Fund and in the guidelines approved by the Guidance Committee of the Amazon Fund (COFA). This reveals the Fund's commitment to the structuring aspects within the public policies that help reduce deforestation. This is made possible by helping monitor the national territory and environment, using this fundamental instrument to foster environmental regularization for rural properties.

The success of the Amazon Fund is simultaneously the result of an expressive decline in deforestation in the Amazon – a decrease of more than 80% compared to 2004 – and a key element in continuing the efforts of the Federal Government and all segments of Brazilian society. This result reflects the country's commitment to taking firmer steps towards a low-carbon economy. The Ministry of the Environment and the BNDES are making concerted efforts to reach this goal, and the Amazon Fund is a vital symbol of this partnership.

Considering the path of the Amazon Fund, donators play a decisive role in making it a current international benchmark as a financial agent within the mechanism known as the United Nations Framework Convention on Climate Change (UNFCCC) and for Reducing Emissions from Deforestation and Forest Degradation (REDD+). It is impossible

not to mention the partnership and the participation of the Norwegian government, which believed in and entered into an innovative and untried model for bilateral cooperations with Brazil, prior to the Amazon Fund even being created and to the international rules for this type of collaboration. The year of 2014 marked not only the final transfers from Germany's pledged financial support, but also a new injection of resources from Norway as well as donations from Brazil's very own Petrobras. This expanded the range of efforts available to maintain the results achieved by reducing deforestation.

This report shows the results attained in each project receiving support and aims to reveal the regional impact of the projects as a whole. There are many activities being developed in every state within the region, on computers and in offices, but mainly in the forest, in the fields, in the rivers and on the roads that are widely travelled by specialists from a wide array of institutions. With this, each Brazil nut enhanced, each seed-mix (muvuca) planted, and each property that is geo-referenced becomes part of a large-scale change, helping foster a development framework that integrates the greatness and the diversity of the Amazon and its inhabitants.

*June 2015*

**Izabella Teixeira**

MINISTER OF THE ENVIRONMENT

PRESIDENT OF THE GUIDANCE COMMITTEE OF THE AMAZON FUND

**Luciano Coutinho**

PRESIDENT OF THE BNDES

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Dear Reader,

The Amazon Fund is a pioneering initiative in financing efforts aimed at Reducing Emissions from Deforestation and Forest Degradation (REDD+). Within this context, it is important to show how it was implemented and to present the results.

This publication is organized into three sections: "Amazon Fund Operations," "Supported Projects" and "Annexes."

In the first section, besides the information on governance, communications, fundraising and the inner workings of the Amazon Fund, there is also a part on monitoring and assessing results, which has undergone improvements every year, with follow-up indicators on projects and regions.

In the second segment, we present the projects receiving support, arranged into the following groups: completed projects, for which there is a preliminary assessment of results; projects approved in 2014, outlining the context, a brief description and the intervention logic; as well as projects approved prior to 2013, which includes a summary of the activities carried out.\* It is worth pointing out that the Amazon Fund's website ([www.amazonfund.gov.br](http://www.amazonfund.gov.br)) also contains more detailed information on all projects.

To finalize the report, there are annexes, including the financial and compliance audits.

Enjoy the read!

THE AMAZON FUND.  
BRAZIL PROTECTS IT.  
THE WORLD SUPPORTS IT.  
EVERYONE WINS.

\* The currency conversion from real (BRL) to dollar (USD) of the total cost of each project, the Amazon Fund support and the effective amounts disbursed observed the following criteria: total cost of the projects and the Amazon Fund support were converted considering the exchange rate published by the Brazilian Central Bank for the day of the projects approval by BNDES' board of directors, while the disbursements amounts were converted by the exchange rate of each disbursement day.



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# AMAZON FUND OPERATIONS





# INTRODUCTION





## CONTEXTUALIZATION

Considered the world's largest biodiversity reserve, the Amazon is also the largest Brazilian biome in terms of size, occupying almost half of the national territory (49.29%).

The Amazon Basin corresponds to two fifths of the South American territory. Its area of approximately seven million square kilometers is home to the largest river system on the planet, through which runs approximately one fifth of the world's surface fresh water.

Sixty percent of the Amazon Basin is in Brazilian territory, where the Amazon Biome occupies five federal states (Acre, Amapá, Amazonas, Pará and Roraima), a large part of the state of Rondônia (98.8%), more than half the state of Mato Grosso (54%), and also a part of the state of Maranhão (34%) and the state of Tocantins (9%), according to the Brazilian Institute of Geography and Statistics (IBGE).

Figure 1: Legal Amazon (map of states inside the Amazon Biome)



Table 1: Amazon – some concepts

	Where it is	Area	What it is
Amazon Basin	Peru, Colombia, Ecuador, Venezuela, Guyana, Bolivia and Brazil (Acre, Amazonas, Roraima, Rondônia, Mato Grosso, Pará and Amapá).	6.5 million km <sup>2</sup>	Water resources that flow into the Amazon River, occupying two fifths of South America and 5% of the earth's surface. It is the largest hydrographic network on the planet, through which runs about one fifth of the world's fresh water. Of its total area, approximately 3.8 million km <sup>2</sup> is in Brazil.
Amazon Biome	In the states of Acre, Amapá, Amazonas, Pará and Roraima, and in part of Rondônia, Mato Grosso, Maranhão and Tocantins.	4.2 million km <sup>2</sup>	The Amazon Biome consists of regions that have similar climates, forest vegetation, fauna, as well as similar dynamics and ecological processes.
Legal Amazon	In the states of Acre, Amapá, Amazonas, Mato Grosso, Pará, Roraima, Rondônia, Tocantins and part of Maranhão.	5.2 million km <sup>2</sup>	Area established by the Brazilian government that includes regions with identical economic, political and social problems. It comprises nine Brazilian states belonging to the Amazon Basin, i.e., which contain in their territory parts of the Amazon Forest, but also other biomes.

Source: BNDES.

## THE AMAZON FUND'S OBJECTIVES

The Amazon Fund aims to help reduce greenhouse gas emissions resulting from deforestation and degradation of forests. It is an instrument to raise funds from voluntary contributions to non-reimbursable investments in efforts to prevent, monitor and combat deforestation, as well as fostering conservation and the sustainable use of the forest in the Amazon Biome

Management of the Amazon Fund was assigned to the BNDES, which is responsible for raising and investing funds, following and monitoring the efforts of projects receiving support, rendering accounts and communicating results obtained in a continuous and transparent fashion, in addition to running the executive secretariat of the Guidance Committee of the Amazon Fund (COFA).

To achieve its objectives, the Amazon Fund may support projects in the following areas, specified in Decree N°. 6,527/08:

- I. management of public forests and protected areas;
- II. control, monitoring and environmental inspection;
- III. sustainable forest management;
- IV. economic activities developed based on sustainable use of the forest;
- V. ecological-economic zoning (EEZ), land-use planning and land-title regularization;
- VI. conservation and sustainable use of biodiversity; and
- VII. recovery of deforested areas.

The decree also establishes the use of up to 20% of the Fund's resources to support the development of monitoring and control systems for deforestation in other Brazilian biomes, and tropical forests in other countries.

Initiatives eligible to receive support from the Amazon Fund must be in accordance with the Sustainable Amazon Plan (PAS), the Prevention and Control Plan of Deforestation in the Legal Amazon (PPCDAM), the State Plans to Prevent and Combat Deforestation, the COFA

guidelines and criteria, as well as the BNDES' operational policies.

## RECENT DEVELOPMENTS

Confirming the path tracked over the last decade, the rate of deforestation in the Brazilian Amazon maintained a downward trend in 2014, with estimated reduction of 18% related to the previous annual period, according to data from the National Institute for Space Research (INPE). Therefore, between 2004 and 2014, deforestation in that region was reduced by more than 80%.

The driving force behind this substantial success achieved by the government and Brazilian society was primarily articulation, first among the several Federal Government bodies and then advancing to include states and municipalities, within the master guidelines established by PPCDAM. Civil society also played a key role in this process, promoting social mobilization and fostering innovative solutions through know-how and action, either traditional or not.

PPCDAM is in the third stage of implementation, having incorporated new fronts. Using the new Forest Code

approved in 2012, implementing the Rural Environmental Registration (CAR) has been established as one of the priorities in the Brazil's sustainability agenda. Conceived as the main instrument to promote and verify environmental regularity of rural properties, this innovating instrument developed in the Amazon Region itself can also raise other important matters, such as land-title regularization and recovery of degraded areas.

Support to implement the CAR was one of the focuses defined by COFA for the 2013-2014 period. In 2014, another four projects with activities aimed at implementing CAR were approved by the Fund, and two of these were presented by the state of Bahia and Mato Grosso do Sul, which include significant parts of the Hinterland (Cerrado) and Desert Vegetation (Caatinga) biomes, defined as priorities by COFA in Fund support outside the Amazon Biome.

With this, the project portfolio with activities related to the CAR, supported by the Amazon Fund, totals 13 projects, not only in state bodies, but also municipalities and non-governmental organizations (NGOs), with over R\$ 200 million

earmarked to establish this central policy of environmental governance. It is important to highlight that the technical cooperation between the Amazon Fund and the Ministry of the Environment ensures that projects supported by the National System for Rural Environmental Registration (SICAR) are in alignment.

Another highlight of the year was the approval of nine projects coming from the Call-to-Submission for Sustainable Production Projects, which, with the project approved at the end of 2013, totalled more than R\$ 46 million in support for community forest management, fishing, agro-forestry systems and extraction, among others. As the support modality established in the call-to-submission included incorporation of other institutions beyond the applicant, the group of projects to receive support so far will enable support for activities from 82 partner institutions, including communities, indigenous, former slave communities (quilombos), extractionists and small rural producer associations, in 74 municipalities across the seven Amazon states.

Support for indigenous people is also one of the priorities of the Amazon Fund. With the

approval of another three projects focused on indigenous people in that region, the total of resources earmarked for the priority public of the Amazon Fund totals R\$ 80 million. There are four projects focused exclusively on support for indigenous people, involving planning and territorial control, environmental management, production activities and protecting isolated people, and another eight projects with efforts in indigenous communities. Over the next few years, this support will be intensified with projects coming from the Call-to-Submission for Projects aimed at Support for Territorial and Environmental Management Plans for Indigenous Land, which received 20 proposals up to November 21, 2014,<sup>1</sup> and the selection process will be concluded in 2015, with participation from the Ministry of Environment, the National Indigenous Foundation (FUNAI), the Coordination of Indigenous Organizations of the Brazilian Amazon (COIAB), the BNDES and state representation in COFA.

Also approved in 2014 was an emblematic project for the Amazon Fund and to combat deforestation in that region, so as to increase and improve INPE's environmental monitoring

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<sup>1</sup> Final date to forward applications for the call-to-submission



by satellites. INPE has been developing these efforts since 1988, initially using the PRODES system, which presents the annual rates of deforestation in that region, and in 2004, the DETER system was included, a warning system to support inspection by the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA). This is acknowledged as fundamentally important to planning and implementing public policies to combat deforestation in the Amazon.

Among the several efforts established in this project, which will receive R\$ 67 million in support from the Amazon Fund, we can highlight the improvement of several systems and tools to monitor not only deforestation, but also fire outbreaks and changes in the use of the land. Studies on deforestation dynamics that allow better estimation of biomass and carbon emissions in the Amazon Biome will provide important support to continuously improve public policies earmarked for sustainable development of the region.

Additionally, another four projects were approved in 2014, involving support for municipal management, management of

protected areas, firefighting, and developing sustainable production activities. With this, the Amazon Fund concludes its sixth year of activities with 69 supported projects, totaling in excess of R\$ 1 billion in financial collaboration. The numbers are quite relevant, either from a perspective of support for socio-environmental projects in Brazil, even if merely within the scope of global climatic finances, especially in Reducing Emissions from Deforestation and Forest Degradation (REDD+).

## CHALLENGES AND PERSPECTIVES

In spite of the Amazon Fund basing fundraising efforts on Brazil's results in reducing the deforestation rate, maintaining these results will be possible by building a development model where services and resources offered by the forest are recognized in a broad, effective and lasting fashion. It is within this context that the Amazon Fund can provide support to implement structural policies for the region, for example, the CAR and the National Policy for Territorial and

Environmental Management of Indigenous Land (PNGATI), in addition to considering the fundamental role traditional people and communities play in the region in protecting their territories and natural resources.

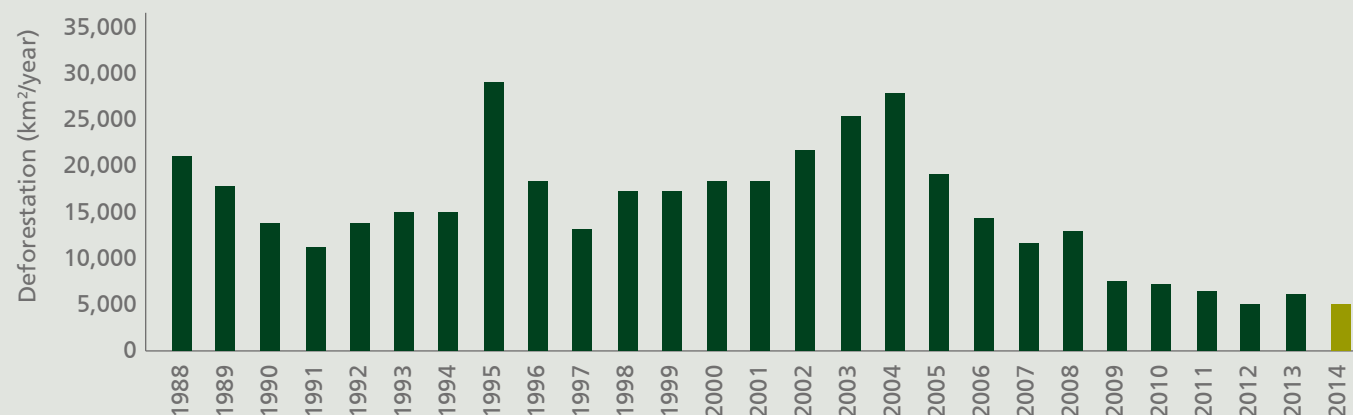
The agenda for environmental regularization of rural properties, added to the order of business by the new Forest Code, is creating a base of geo-information to enable significant progress for rural development, for example, promoting production chains related to forest restoration, such as saplings and forest seeds. Projects to recover degraded areas made evident by CAR, within the sphere of Environmental Regularization Programmes (PRA), will be an opportunity to bring rural and forest activities closer together, so as to optimize economic and environmental use of properties.

Within this context, the Amazon Fund has renewed its challenges, determined to continue to help promote an Amazonian model for development that incorporates the entire area and diversity in that region and its inhabitants, considering also the regional perspectives, since the borders of the great forest encompass nine countries.

## DATA ON DEFORESTATION IN THE LEGAL AMAZON

Preliminary data from INPE indicate that the deforestation rate in the Amazon, from August 1, 2013 to July 31, 2014 (forest year 2014), was 4,848 km<sup>2</sup>. As shown in Chart 1, since 2004, when the Federal Government instituted the PPCDAM, deforestation rates in the Amazon have consistently decreased. It has been verified that the average rate over the last five years (5,746 km<sup>2</sup>) is considerably lower (56%) than the previous five-year period (13,066 km<sup>2</sup>).

Chart 1: Annual deforestation in the Legal Amazon, per clear cuts (in km<sup>2</sup>)



Source: PRODES/INPE.  
Note: 2014 – preliminary data.

In Table 2, the 2014 deforestation rates can be verified in the states that comprise the Legal Amazon, in comparison to the consolidated deforestation rates from the previous year.

Table 2: Deforestation per state

State	Deforestation 2013 (km <sup>2</sup> )	Deforestation 2014 (km <sup>2</sup> )	Deforestation variation 2013-2014 (%)
Acre	221	312	41
Amapá	23	0	-
Amazonas	583	464	(20)
Maranhão	403	246	(39)
Mato Grosso	1,139	1,048	(8)
Pará	2,346	1,829	(22)
Rondônia	932	668	(28)
Roraima	170	233	37
Tocantins	74	48	(35)
<b>Legal Amazon</b>	<b>5,891</b>	<b>4,848</b>	<b>(18)</b>

Source: PRODES/INPE.

There was a significant fall in deforestation rates throughout the forest year of 2014 in comparison with 2013, confirming the ongoing trend since 2004. The increasing deforestation rate throughout the forest year of 2013 was not repeated throughout the forest year of 2014, which probably indicates that it did not represent a change to the falling trend of the deforestation rate. In seven out of the nine states in the Brazilian Amazon, the deforestation rate presented a drop, and the state of Amapá presented zero deforestation.

The Federal Government's strategy to combat deforestation has been successful. The annual deforestation rate in relation to 2004 has fallen 83%. To maintain these results, it is key for the federal and state governments as well as civil society to continue: inspection efforts in the Amazon, especially in regions that have the highest deforestation rates; initiatives related to generating jobs work and income by developing forest-based sustainable production activities; and land-use planning. The Amazon Fund is an important tool to support these efforts.



# GOVERNANCE AND FUNDRAISING



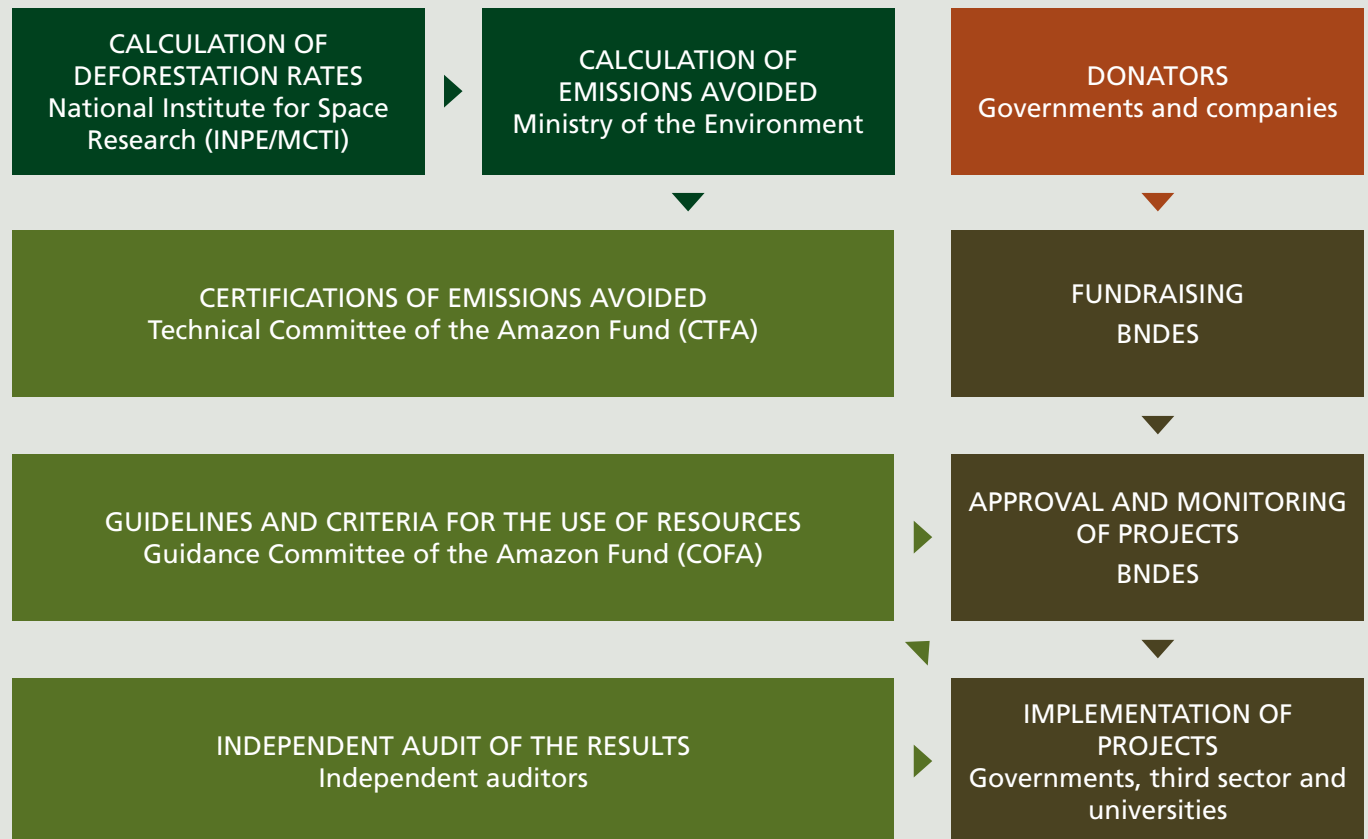


## AMAZON FUND GOVERNANCE

The Amazon Fund governance model was established to facilitate the participation of the several players involved in the topic, in order to help them fulfill their purposes.

The Amazon Fund governance structure comprises two formal committees, which include representatives from the Federal Government, state governments in the Brazilian Legal Amazon, civil society (NGOs, social movements, indigenous people and the business sector) as well as the scientific community, in addition to processes defined by the independent auditor responsible for verifying the proper use of the resources donated, as illustrated in Figure 2.

Figure 2: Amazon Fund governance



Source: BNDES.

## The Technical Committee of the Amazon Fund

The Technical Committee of the Amazon Fund (CTFA) was established by Ministerial Order MMA N°. 345, of October 22, 2008, with the mission of attesting carbon emissions derived from deforestation calculated by the Ministry of the Environment. For this, assessment includes the methodology to calculate the deforested area and the amount of carbon per hectare used in the calculation of the emissions.

The CTFA usually meets once a year and consists of leading specialists with renowned technical/scientific knowledge, appointed by the Ministry of the Environment, after consulting the Brazilian Forum on Climate Change. The term of office of the members is three years, which can be renewed once for an equal period of time.

The participation in the CTFA is considered of public interest and does not provide remuneration in shape or form.

## *Meeting held by the Technical Committee of the Amazon Fund*

The CTFA's seventh meeting was held on September 10, 2014, when it established the estimated value of reduced emissions related to the forest year of 2013, corresponding to 516.1 million tons of CO<sub>2</sub>, and the limit for fundraising via the Amazon Fund for this period at US\$ 2,580,732,000.00.

Since the Amazon Fund was created, the CTFA attested the amounts of reduced emissions shown in Table 3.

Table 3: Annual meeting of the Technical Committee of the Amazon Fund

Meeting	Date	Year of the reduction	Estimated emission reduction (in millions of tons of CO <sub>2</sub> )
1st	10.11.2008	2006	200.0
		2007	303.0
2nd	1.12.2009	2008	245.7
3rd	13.12.2010	2009	445.9
4th	20.10.2011	2010	462.9
5th	14.11.2012	2011	490.2
6th	26.11.2013	2012	580.2
7th	10.9.2014	2013	516.1

Source: BNDES.

## The Guidance Committee of the Amazon Fund

The Guidance Committee of the Amazon Fund (COFA) is in charge of establishing the guidelines and criteria to apply resources, as well as approving information to apply the resources and the Annual Report of the Amazon Fund.

Throughout 2014, COFA met in two ordinary sessions. Meetings are consigned in Records of Referrals and Themes (RET), which, after members approve them, are published on the Amazon Fund's website. In addition to the issues the members of the committee suggested, in both meetings, the BNDES presented an analysis of the Fund's project portfolio.

### *Fifteenth meeting of the Guidance Committee of the Amazon Fund*

The first meeting of the year took place on April 4 at the BNDES' headquarters, in Rio de Janeiro, and was opened by the minister of the Environment, Ms. Izabella Teixeira, who mentioned the importance of this committee to seek out innovative ways of assessing

and monitoring the performance of the Amazon Fund.

During the meeting, the Activities Report of the Amazon Fund for 2013 was approved, and authorization was given to publish the call-to-submission to prepare and implement Territorial and Environmental Management Plans for Indigenous Land (PGTA).

### *Sixteenth meeting of the Guidance Committee of the Amazon*

The second meeting in 2014 was also held at the BNDES' headquarters, in Rio de Janeiro, on December 5. In the opening of the meeting, the minister of the Environment, Ms. Izabella Teixeira, analyzed the activities of the year, highlighting the progress in disbursements of resources, as well as project approvals and awards.

In addition, the BNDES presented the progress of the call-to-submission to prepare and implement PGTA's, for which registrations closed on November 21. Also during the meeting, the Ministry of the Environment presented the dynamics of deforestation in the Amazon.

## Focus for support from the Amazon Fund in 2013-2014

In 2013, COFA defined a new focus and support modalities for the 2013-2014 period, which became part of the guidelines and criteria for applying the resources from the Amazon Fund. This document is attached and contains COFA's normative deliberations regarding the guideline criteria, minimum conditions for projects, modalities for applying resources, restrictions on using resources, equality criteria when applying resources and respective limitations.

Below, we present the focus for support from the Amazon Fund in the 2013-2014 period.

*Amazon Biome*

## MONITORING AND CONTROL

ENVIRONMENTAL REGULARIZATION AND RURAL ENVIRONMENTAL REGISTRATION (CAR)	<p>Promoting the environmental regularization of rural properties or temporarily-owned bailments, upon registration in the CAR and strengthening state the CAR management systems to integrate it into the Rural Environmental Registration System (SICAR).</p> <p>Support to implement CAR will be provided, primarily, by means of operations with the states, which may sign partnerships/contracts according to Act N°. 8,666/1993 to carry out necessary actions. The Ministry of the Environment is responsible for establishing minimum requirements to create the state CAR systems. States are primarily responsible for contracting financial support from the Amazon Fund to implement these actions, and they are directly responsible for implementation and rendering respective accounts to the BNDES.</p>
NATIONAL SYSTEM FOR THE CONTROL OF FOREST PRODUCTS ORIGIN	Structuring the national system to control the origin of wood, coal and other forest products or by-products and integrating it with the Legal Amazon state systems and SICAR.
ENVIRONMENTAL POLICE AND SURVEILLANCE	Strengthening surveillance structures for environmental police from the federal and state governments, with criteria that guarantee a joint effort.
MUNICIPAL ENVIRONMENTAL MANAGEMENT	<p>Support to strengthen municipal environmental management, so as to implement the CAR and/or decentralize environmental licensing concerning local impact to which it is legally delegated.</p> <p>Support to structure municipal environmental agencies will be made exclusively by means of operations with the states, which will be responsible for uniting these demands, endeavouring to cover all municipalities in their territories through a participative process in creating projects.</p>
FOREST FIRES AND IRREGULAR BURNING	Support for efforts to combat forest fires and illegal burn-offs presented by government agencies working in the Legal Amazon.
MONITORING	Support to monitor deforestation, forest degradation and burn-offs in the Amazon Biome, with priority for indigenous lands located in areas under the threat of severe deforestation.



## FOSTERING SUSTAINABLE PRODUCTION ACTIVITIES

GREEN SETTLEMENTS PROGRAMME	Implementing the Green Settlements Programme (Programme of Prevention, Combat and Alternatives to Illegal Deforestation in the Amazon Settlements – PPCADI – Amazon), primarily in: (i) settlements located in municipalities included by the Ministry of the Environment on the list of priority cities for efforts to combat deforestation; and (ii) settlements with greater forest coverage.
SUSTAINABLE FOREST MANAGEMENT	Support for sustainable timber management.
EXTRACTION ECONOMY	Support for the extraction economy in protected areas for sustainable use and their buffer zones in support of the national socio-biodiversity plan, prioritizing: (i) extraction reserves (RESEX) where deforestation rates are high; (ii) protected areas inserted in the Green Assistance Programme; and (iii) protected areas located in cities included by the Ministry of the Environment on the list of priority cities for efforts to combat deforestation.
ENVIRONMENTAL REGULARIZATION PROGRAMMES	Support to recover permanent preservation areas and legal reserve aiming to implement Environmental Regularization Programmes (PRA) for rural properties and temporarily-owned bailments.
FAMILY FARMING	Support for sustainable production activities for communities consisting mainly of family farmers.

## TERRITORIAL AND LAND-USE PLANNING

LAND-TITLE REGULARIZATION	Support for public land-title regularization, with priority in critical areas under the threat of deforestation, also prioritizing efforts to digitalize land-title records and to construct or consolidate land-title mapping in the states and computerize land-title records and respective state agencies. Support will not be available to pay indemnities for expropriation.
INDIGENOUS LAND	Support to prepare and implement environmental and territorial management plans for indigenous land, aligned with the National Policy on Territorial and Environmental Management of Indigenous Land (PNGATI).
PROTECTED AREAS	Support the creation and consolidation of protected areas.

## SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT

NEW SOCIO-BIODIVERSITY PRODUCTS	Support to conduct scientific and technological research on sectors for socio-biodiversity products, including the development of new products using Amazonian biodiversity – drugs, phytopharmaceuticals, medicines, cosmetics and other products of the interest to chemical and foodstuff industries.
SUSTAINABLE PRODUCTION ACTIVITIES	Support to conduct scientific and technological research related to timber forest management, to recovering degraded areas, to integrating cattle-raising and forestry (ILPF), and to sustainable fishing and aquaculture.
ECO SYSTEMIC SERVICES	Support to develop methodologies for measuring the supply and capacity to store carbon biomass of the Amazon Forest and measuring other ecosystem services.
NATIVE FORESTRY	Support to develop technologies for forestry of native species, including production and storage of seeds and saplings.
DEFORESTATION CONTROL AND MONITORING SYSTEMS	Support the development of technologies for systems to monitor and control deforestation as well as to process land surface image for specific mapping of vegetation to help forest management.
NEW STANDARDS FOR SUSTAINABLE DEVELOPMENT	Support to conduct socio-economic research with participative methodologies to establish new standards for sustainable development in the region.

### *Operational modalities*

The focus defined will be supported by means of the direct presentation of structuring projects or projects selected by calls-to-submission directly promoted by the Amazon Fund (BNDES) or through partner institutions.

## STRUCTURING PROJECT

A structuring project complies, cumulatively, with the following criteria:

- helps implement a public policy.
- presents a solution regarding the situation-problem.
- has a substantial scale in the territory (whenever the project develops its efforts in the territory).

The criterion “to have substantial scale in the territory” will be considered “complied with” when, for example, project efforts encompass all municipalities, settlements or protected areas, a state region for planning, the surroundings areas of works in the Growth Acceleration Programme (PAC) etc. The definition of territorial scale must be based on project characteristics and the respective public policies.

Structuring projects may be proposed by: (i) agencies of the Federal Government; (ii) agencies of state governments; or (iii) non-profit private organizations.

In the case of projects for scientific and technological development, structuring projects may be proposed by scientific and technological institutions and/or their support foundations and/or civil society organizations whose articles of association or bylaws include such activities, or also by agencies of the Federal Government or state governments. Within the scope of scientific and technological development, initiatives that aim at formularizing innovative strategies to combat deforestation may also be supported through the direct modality.

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## CALL-TO-SUBMISSION

In addition to the calls-to-submission for projects that the Amazon Fund (BNDES) promotes directly, support will be allowed for partner institutions to promote calls-to-submission for projects. Partner institutions shall prove experience, knowledge and operational capacity to grant quality and scale to the calls-to-submission. Partner institutions refer to entities in the third sector, or in the federal and state governments.

The Amazon Fund will remain permanently open to partner institutions requesting financial assistance that seek support to conduct calls-to-submission, focusing on efforts prioritized in the 2013-2014 period.

Calls-to-submission promoted directly by the Amazon Fund or indirectly receiving support through partner institutions must be disclosed on the Amazon Fund's website or on that of the partner institutions in charge, as applicable.

Studies and research on the specific areas of the Amazon Fund may also receive support, as selected by the BNDES, by means of calls-to-submission, which directly or indirectly increase the generation of projects that may involve significant public or private investments.

To complement, direct support has been authorized for the second phase of projects previously approved by the Amazon Fund, either completed or in the final stages, aiming to continue and expand results, primarily considering those that match the focus established for the 2013-2014 period.

In the case of projects outside the Amazon Biome, the focus of efforts was established in the following manner:

## OTHER BRAZILIAN BIOMES

RURAL ENVIRONMENTAL REGISTRATION (CAR) AND ENVIRONMENTAL REGULARIZATION PROGRAMMES (PRA)

Will be primarily supported: (i) projects proposed by state governments with the presence of Hinterland (Cerrado) and/or Shrubland (Caatinga) biomes, aiming at fostering environmental regularization of rural properties and temporarily-owned bailments, by enrolling in the CAR, adhering to or enrollment in the SICAR; and (ii) the development of monitoring systems for the PRA.

DEFORESTATION MONITORING SYSTEM IN OTHER TROPICAL COUNTRIES

Support from the Amazon Fund is still authorized for projects that help create or improve monitoring systems for forest coverage in other tropical countries, as per the guidelines and criteria in effect.



## FUNDRAISING

### Rules for fundraising

Fundraising for the Amazon Fund is based on the amount of reduced carbon emissions deriving from deforestation, that is, Brazil needs to prove the reduction of deforestation in the Amazon in order to conduct fundraising efforts for new resources.

To calculate the limit of annual fundraising for the Amazon Fund, a simple and conservative method was selected in order to assure that the amounts of reduced emissions are not overestimated. Briefly, the calculation of the amount of reduced carbon emissions deriving from deforestation is the difference between the historical average deforestation rate and the deforested area effectively measured in the assessed year, multiplying this result by the amount of carbon present in the biomass, in tons of carbon per hectare. Thus, the calculation is made using the following equation:

$$ED = (TDM - TD) * tC/ha$$

ED = reduction in carbon emissions from deforestation, in tons of carbon (tC)

TDM = average deforestation rate (in hectares)

TD = annual deforestation rate for the period (in hectares)

tC/ha = tons of carbon per hectare of forest

The deforestation rate in the Amazon Biome is measured by the INPE,<sup>2</sup> a public agency linked to the Ministry of Science, Technology and Innovation. The amount of carbon per hectare contained in the forest biomass is calculated according to the methodology defined by the Ministry of the Environment. Following, there is some information regarding these variables.

### *Annual deforestation rate measured by the INPE*

Since 1988, the INPE has used an efficient system to monitor forest coverage in the Brazilian Amazon, which enables estimates of annual deforestation rates for the region.

As of 2002, these estimates have been obtained using a digital image classification system, in accordance with the INPE's PRODES Methodology (Project for Monitoring Deforestation in the Legal Amazon), which uses sensors capable of capturing all deforestation greater than 6.25 hectares, a characteristic that has made the system reliable and promoted international recognition.<sup>3</sup>

Rates are annually calculated for periods from August 1 to July 31. Thus, the 2014 reference rates, for example, involve deforestation identified from August 1, 2013, to July 31, 2014.

<sup>2</sup> INPE's mission is to produce science and technology in the space-related and terrestrial environment areas.

<sup>3</sup> According to CTFA, the error margin of PRODES is approximately 8%..

## Historical average rate of deforestation

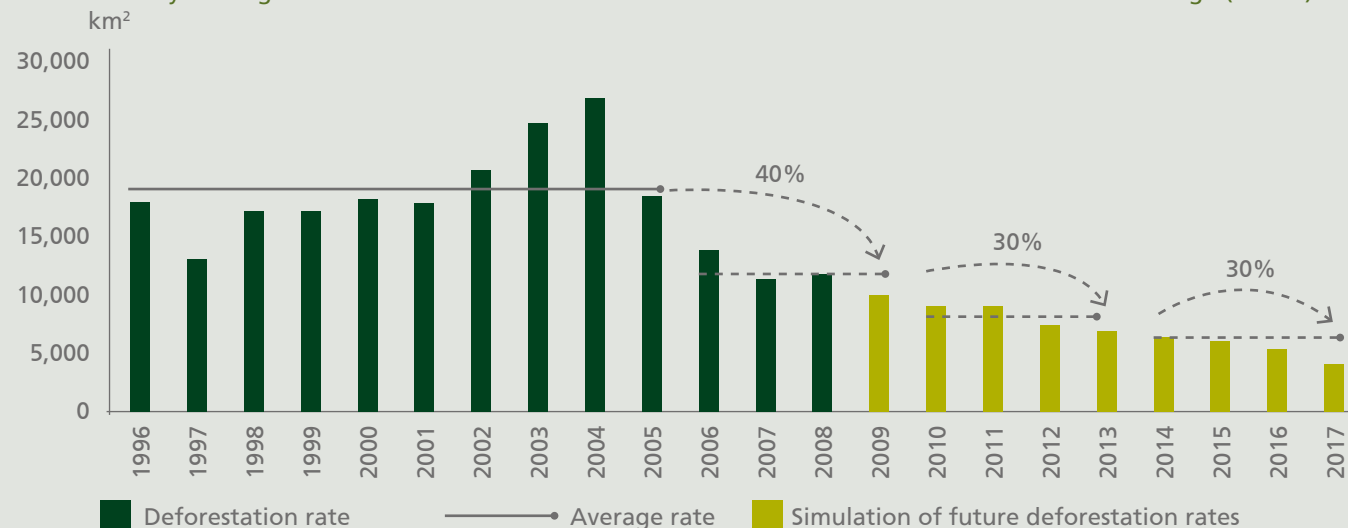
The annual deforestation rates to be applied when calculating the reduced emissions are compared to the average deforestation rates in ten-year periods. These ten years periods are updated every five years, in such a way that, over the 2011-2015 period, the annual deforestation rates will be compared to the average deforestation rate from 2001 to 2010 – average deforestation rate (TDM) 2001-2010. In the subsequent period, from 2016 to 2020, the deforestation rates will be compared to the averages from 2006 to 2015.

Within this context, the National Plan on Climate Change (PNMC),<sup>4</sup> released by the Brazilian government in December 2008, plays an important role. It establishes goals that, once reached, will correspond to the reduction of greenhouse gases emissions, as well as other environmental gains and socio-economic benefits. These goals were determined by the Inter-ministerial Committee on Climate Change, with the collaboration of other collegiate and bodies, among them,

<sup>4</sup> PNMC can be consulted in full on the website <[www.mma.gov.br/](http://www.mma.gov.br/)>h>.

the Brazilian Forum on Climate Change and the Inter-ministerial Committee on Global Climate Change. In the PNMC, four-year targets to reduce deforestation in the Amazon were established, which are shown in Chart 2 below.

Chart 2: Four-year targets to reduce deforestation in the Amazon in the National Plan on Climate Change (in km<sup>2</sup>)



Source: National Plan on Climate Change (PNMC).

Two goals established in the PNMC have already been achieved, in accordance with the Prodes data presented in Table 2. For the 2006-2009 period, the commitment taken on by the Brazilian government was to reduce the average deforestation rate related to the 1996-2005 period by 40%. The reduction rate recorded was 41%. For the four-year periods 2010-2013 and 2014-2017, the established target was 30% reduction related to the immediately previous four-year period. In the period of 2010-2013, a reduction of more than 48% was recorded.

The Amazon Fund is a remarkable innovation in terms of public policies because it means the need for a financial instrument capable of meeting the challenges of preventing and controlling deforestation has finally been acknowledged. Thus, its operations collaborate to achieving the

targets established by the PNMC, in particular permanently reducing deforestation rates and preventing losses in forest coverage until 2017.

### ***Estimate of carbon contained in the forest biomass***

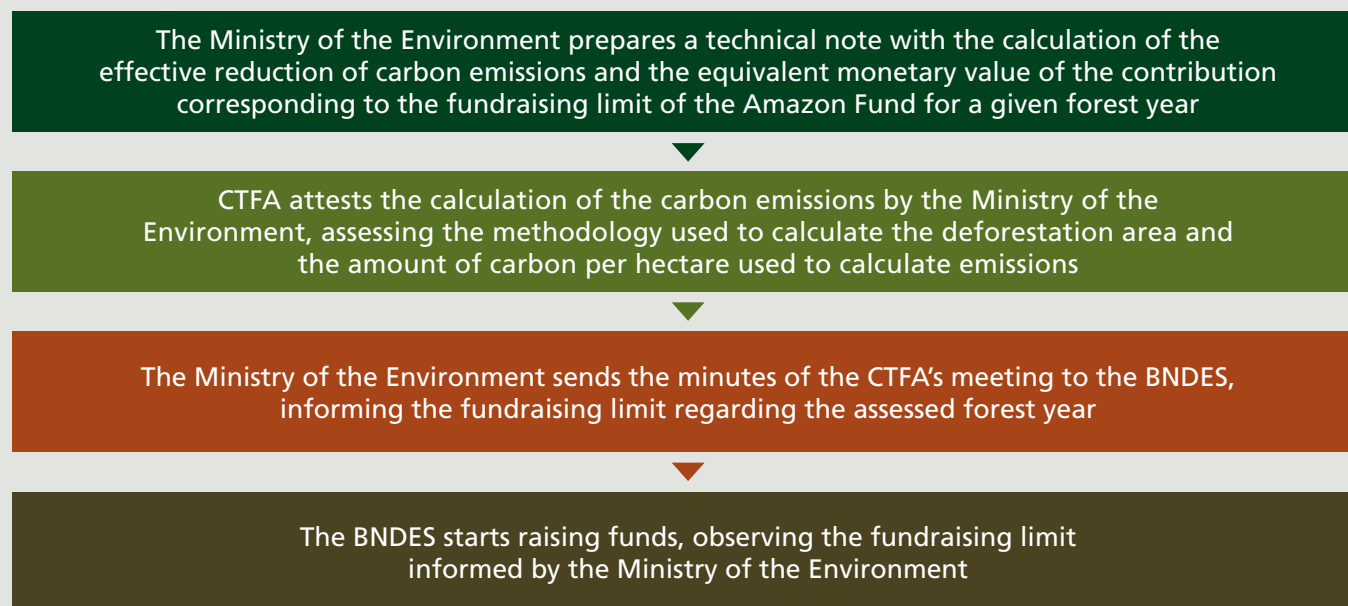
By the forest year 2010, to calculate the limit amounts, the Amazon Fund adopted the value of one hundred tons of carbon per hectare (tC/ha) of biomass, equivalent to 367 tons of carbon dioxide equivalent per hectare (tCO<sub>2</sub>/ha), a conservative amount compared to the data in the literature (between 130 tC/ha and 320 tC/ha), although suitable to simplify calculations and understand the proposed mechanism. However, as recommended by the CTFA, as of forest year 2011, this value was altered to 132.2 tC/ha.

The standard price of US\$ 5.00/tCO<sub>2</sub> (five US dollars per ton of carbon dioxide) is used. Carbon estimates can vary according to the location and characteristics of the forest area observed, and Prodes does not yet record forest degradation data. Thus, results on reduced emissions can still be changed by implementing these two variables, which

should occur when the National Forest Inventory data are available, and when future monitoring systems are operating.

The Ministry of the Environment is responsible for defining the methodology to calculate the limit of annual fundraising for the Amazon Fund, and it is up to CTFA specialists to attest to the effective reduction in carbon emissions from deforestation in a given period, assessing the methodology to calculate the deforestation area and the amount of carbon per hectare used to calculate emissions. Based on the data of emission reductions certified by the CTFA, the BNDES is authorized to receive donations and emit diplomas acknowledging the donators' contributions to the Fund. Figure 3 schematically presents the flow of fundraising for the Amazon Fund.

Figure 3: Flow of fundraising for the Amazon Fund



Source: BNDES.

## Formalized donations

Based on the annual fundraising limits attested by the CTFA, the Amazon Fund receives donations from foreign governments and companies and could start receiving donations from people, nongovernmental organizations and multi-lateral institutions. Up to the end of 2014, donation commitments to the Amazon Fund in three currencies had been formalized: NOK<sup>5</sup> for the Norway donations, EUR<sup>6</sup> for Germany/KfW donations and R\$ for the Petrobras donations, as further detailed. Of this total, some R\$ 2,014,046,648.78 (US\$ 901,383,496.83) had already been deposited into the Amazon Fund's account.<sup>7</sup>

The government of the Norway was the first and, so far, the largest donator of resources to the Amazon Fund, committing in donation agreements with BNDES the amount of NOK 5,450,000,000.00 and effectively donating, up to December 31, 2014, some NOK 5,330,000,000.00, corresponding to US\$ 867,429,088.58, or R\$ 1,942,936,213.30.<sup>8</sup>

<sup>5</sup> NOK, kr or kr\$ – Norwegian currency.

<sup>6</sup> EUR or € – Euro.

<sup>7, 8, 9, 10, 11, 12</sup> Sum of donations received converted to US\$ and R\$ on the dates the resources were received by the BNDES, as shown on the donation diplomas.

In addition to this, as of 2010, the Amazon Fund received support from the government of Germany through KfW Entwicklungsbank, which formalized a commitment of EUR 21,000,000.00, corresponding to R\$ 60,697,500.00, or US\$ 28,323,207.40.<sup>9</sup> These resources have already been donated to the Amazon Fund.

In 2011, the Amazon Fund started a new partnership with a third donator, Petróleo Brasileiro S.A. (Petrobras), the first Brazilian company to contribute to the Fund. Petrobras, up to the end 2014, contributed R\$ 10,412,935.46, corresponding to US\$ 5,631,200.85.<sup>10</sup>

As established in Decree N°. 6,527/2008, the BNDES is obliged to maintain resources from donations separate in its accounting records. A sum of 3% is earmarked to cover operating costs and other expenses related to the Amazon Fund, including contracting audits.

### *Norwegian government*

The BNDES signed a donation agreement on March 25, 2009, with Norway's Ministry of Foreign Affairs, which establishes a donation

to the Amazon Fund in the amount of up to NOK 700,000,000.00 (US\$ 119,555,204.58).<sup>11</sup>

According to the contract, the values of the donations that may be requested in the following years must be specified in amendments proposed by the donator. Five amendments have been signed to the Donation agreement, through which the government of Norway committed to making additional donations up to NOK 2,850,000,000.00 (US\$ 475,368,022.43).<sup>12</sup>

### *• Amendment and consolidation contract*

On September 17, 2013, the BNDES and the government of Norway signed a new contract (Amended and Restated Donation agreement) in order to consolidate the previous donation agreements of Norway to the Amazon Fund and to extend the validity of this cooperation.

The new contract establishes that donated resources must be used in Amazon Fund projects by the end of 2020. The instrument establishes the possibility of a full transfer of resources Norway has already donated to the Fund, which was made possible due to the exemption of Brazil's PIS-PASEP

(Social Integration Programme-Investment Programme for Civil Servants) and COFINS (Contribution to Social Security Financing) taxes on the donations to the Amazon Fund instituted by Law N°. 12,810, of May 15, 2013, which altered Law N°. 11,828/2008. Thus, the resources already contracted by then, but not yet disbursed to the Amazon Fund, were transferred on October 4, 2013, in the total of US\$ 465 million (R\$ 1.025 billion).

• ***Amendment to the consolidated donation agreement***

On December 10, 2013, the first amendment to the consolidated donation agreement was signed. The government of Norway committed to making an additional donation of NOK 1,000,000,000.00 (US\$ 164 million), made on December 23.

• ***Second amendment to the consolidated donation agreement***

On December 4, 2014, the second amendment to the consolidated donation agreement was signed. The government of Norway committed to making an additional donation of NOK 900,000,000.00 (US\$ 121,495,230.00

or R\$ 322,650,000.00).<sup>13</sup> Of this total, some NOK 780,000,000 had been already donated (US\$ 108,839,740.46 or R\$ 288,991,278.87), received, in a single installment, on December 15, 2014.

***German government***

Within the scope of official financial cooperation between the governments of Germany and Brazil, on December 7, 2010, a contract between KfW Entwicklungsbank and the BNDES was signed for financial contribution to the Amazon Fund. The total value of the contract is up to EUR 21,000,000.00 (US\$ 28,323,207.40 or R\$ 60,697,500.00). The donation was received in-full by the Amazon Fund.

***Petróleo Brasileiro S.A.***

The BNDES and Petrobras, in 2012, signed six contracts for donations to the Amazon Fund, valued at R\$ 7,929,444.23 (US\$ 4,534,515.00). In the year of 2013, three more donation contracts were signed, totaling R\$ 1,016,749.02 (US\$ 495,328.65). And in 2014, seven donation contracts were signed

(on January 23, February 25, May 6, May 8, October 2, October 10 and December 26), totaling R\$ 1,466,742.21 (US\$ 601,357.20). In total, Petrobras donated R\$ 10,412,935.46 (US\$ 5,631,200.85) to the Amazon Fund.

The company's donation is aligned with the requirements established by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) obliging Petrobras to implement projects to neutralize carbon in relation to greenhouse gas emissions caused by its activities. Such emissions are caused by the company's excessive gas burning when producing and delivering oil and natural gas.

Donated resources are exclusively earmarked to finance projects within the scope of the Amazon Fund according to its rules, policies, guidelines and criteria. The BNDES is responsible not only for analyzing, approving and contracting projects, but also for monitoring and rendering accounts.

As established by the BNDES' Board of Directors, through Decision N°. 832/2012-BNDES, donations to the Amazon Fund raised using public sources controlled by the Federal Government should be separated in the accounting, so resources are not given to projects carried out by the Federal Government.

<sup>13</sup> Values converted to US\$ using the average exchange rate on December 31, 2014 disclosed by Brazil's Central Bank.



### *Diplomas: acknowledging contributions made by donators*

When receiving donations for the Amazon Fund, the BNDES must issue diplomas informing the sum of the financial contribution and its correspondence in tons of carbon. These diplomas are nominal, non-transferable and do not generate rights or credits of any nature. Thus, the diploma identifies the donator and its contribution to the effort to reduce carbon dioxide emissions. Table 4 presents data on resources already raised.

Table 4: Resources raised

Donator	Installment	Date resources arrived	Original value of donation	Value in R\$ (BRL)*	Value in US\$ (USD)*	Carbon dioxide tons (TCO <sub>2</sub> )	Carbon tons (TCO)	Year of reduction
Norway	1st	10.9.2009	NOK 123,437,000.00	36,448,350.22	20,960,578.70	4,192,115.7	1,142,265.9	2006
Norway	2nd	8.9.2010	NOK 169,262,000.00	49,600,536.48	28,283,364.59	5,656,672.9	1,541,327.8	2006
Norway	3rd	3.23.2012	NOK 261,273,000.00	82,144,231.20	45,149,077.28	9,029,815.0	2,462,677.0	2006
Norway	4th	10.2.2012	NOK 101,774,000.00	36,109,415.20	17,817,731.77	3,563,546.0	971,876.0	2006
Norway	5th	6.26.2013	NOK 44,254,000.00	16,139,433.80	7,344,452.24	1,468,890.0	400,606.0	2006
Norway	6th	6.26.2013	NOK 64,465,000.00	23,510,385.50	10,698,696.47	2,139,739.0	583,565.0	2009
Norway	7th	10.4.2013	NOK 2,785,535,000.00	1,024,642,336.54	464,669,325.96	26,207,821.0	7,147,588.0	2009
						33,363,022.0	9,099,006.0	2010
						33,363,022.0	9,099,006.0	2011
Norway	8th	12.23.2013	NOK 1,000,000,000.00	385,350,245.49	163,666,121.11	32,733,224.0	8,927,243.0	2012
Norway	9th	12.15.2014	NOK 780,000,000.00	288,991,278.87	108,839,740.46	21,767,948.1	5,936,713.1	2013
KfW Germany	1st	12.29.2010	EUR 3,000,000.00	6,644,100.00	3,952,500.00	790,500.0	215,395.0	2009
KfW Germany	2nd	1.8.2013	EUR 6,000,000.00	15,954,600.00	7,864,832.89	1,572,967.0	428,991.0	2009
KfW Germany	3rd	1.6.2014	EUR 8,000,000.00	26,180,800.00	11,120,181.53	825,407.0	225,111.0	2009
						1,938,630.0	381,444.0	2010
KfW Germany	4th	7.22.2014	EUR 4,000,000.00	11,918,000.00	5,385,692.98	1,077,139.0	293,765.0	2010

Donator	Installment	Date resources arrived	Original value of donation	Value in R\$ (BRL)*	Value in US\$ (USD)*	Carbon dioxide tons (TCO <sub>2</sub> )	Carbon tons (TCO)	Year of reduction
Petrobras	1st	10.14.2011	BRL 1,765,983.70	1,765,983.70	1,016,335.00	203,267.0	55,436.0	2006
Petrobras	2nd	10.14.2011	BRL 4,114,671.55	4,114,671.55	2,368,020.00	473,604.0	129,164.0	2006
Petrobras	3rd	10.17.2011	BRL 1,435,257.60	1,435,257.60	826,000.00	165,200.0	45,054.0	2006
Petrobras	4th	1.23.2012	BRL 156,626.00	156,626.00	88,750.00	17,750.0	4,841.0	2006
Petrobras	5th	4.26.2012	BRL 282,584.58	282,584.58	150,255.00	30,051.0	8,196.0	2006
Petrobras	6th	7.13.2012	BRL 174,320.80	174,320.80	85,155.00	17,031.0	4,645.0	2006
Petrobras	7th	2.20.2013	BRL 327,834.78	327,834.78	167,288.25	33,457.7	9,124.8	2006
Petrobras	8th	3.25.2013	BRL 357,002.13	357,002.13	177,383.55	35,477.0	9,675.0	2006
Petrobras	9th	9.25.2013	BRL 331,912.11	331,912.11	150,656.85	30,131.0	8,218.0	2006
Petrobras	10th	1.23.2014	BRL 222,324.37	222,324.37	94,201.25	18,840.3	5,138.3	2006
Petrobras	11th	2.25.2014	BRL 73,323.19	73,323.19	31,378.95	6,275.8	1,711.6	2006
Petrobras	12th	5.6.2014	BRL 89,806.99	89,806.99	40,232.50	8,046.5	2,194.5	2006
Petrobras	13th	5.8.2014	BRL 177,561.21	177,561.21	80,319.00	16,063.8	4,381.0	2006
Petrobras	14th	10.2.2014	BRL 206,057.53	206,057.53	83,138.00	16,627.6	4,534.8	2006
Petrobras	15th	10.10.2014	BRL 239,613.95	239,613.95	99,412.50	19,882.5	5,422.5	2006
Petrobras	16th	12.26.2014	BRL 458,054.97	458,054.97	172,675.00	34,535.0	9,419.0	2006
			<b>Total</b>	<b>2,014,046,648.76</b>	<b>901,383,496.83</b>			

Source: BNDES.

\* Historical values in Brazilian reais and in dollars, as stated on the diplomas issued by the Amazon Fund.



# THE AMAZON FUND IN THE BNDES



## ABOUT US

The Brazilian Development Bank (BNDES), a federally-owned company founded in 1952, is the main instrument for long-term financing for investments in all segments of the Brazilian economy, with efforts that cover the social, regional and environmental areas.

The BNDES' mission is to foster sustainable development in the country. In its track record, the Bank has a legacy of expressive results for economic and social development in Brazil, having introduced innovative management and socio-environmental responsibility practices.

To fulfill its mission, its main objective is to create the right conditions and instruments for financial support to enable it to face the challenges of development. To successfully conduct its many activities requires permanent training for its employees, who are hired through nationwide civil servant recruitment exams.

The BNDES' decisions are based on technical guidelines and are subject to auditing and control by external agencies set up for this purpose, including accountability mechanisms.

The BNDES is also a signatory of the Green Protocol and expresses its Socio-environmental Policy in a public and transparent fashion, striving for excellence when exercising its mission and corporate responsibility.

For more information on these topics:

- Socio-environmental Policy: BNDES website in English<sup>14</sup> > Social and Environmental Responsibility > Socio-environmental Policy
- Green Protocol: BNDES website in Portuguese<sup>15</sup> > Áreas de Atuação (Areas of Activity) > Meio Ambiente (Environment) > Nesta Seção (In this Section) > Outros compromissos (Other commitments).

In its Corporate Planning for the 2009-2014 period, the Bank chose innovation, local and regional development as well as social and environmental development as the most important aspects of economic development within the current context. These issues should be fostered and emphasized in all projects it supports. Thus, the BNDES reinforces its historical commitment to developing Brazilian society as a whole.

<sup>14</sup> <[www.bndes.gov.br/english](http://www.bndes.gov.br/english)>.

<sup>15</sup> <[www.bndes.gov.br](http://www.bndes.gov.br)>.

## OPERATIONAL FLOW OF PROJECTS

A few operational stages need to be fulfilled so that financial support from the BNDES for a project is put into effect. This is related to the BNDES' operational cycle, which involves rules and project analysis procedures, as well as deliberations from superior-level decision-makers.

### Eligibility criteria

Support provided by the Amazon Fund is of a non-reimbursable nature, i.e., the project executor or beneficiary does not need to return the resources made available. Projects need to be shaped into concrete efforts that prove their potential to help reduce deforestation and forest degradation.

Planned efforts must prove they are consistent not only with the proposed goal, but also with the budget and the project's implementation schedule. For that to happen, it is fundamental to have synergy and logical sequencing between the proposed efforts. Applicants need to prove they have technical and managerial skills to implement the project, which is



fundamental to manage the resources received and to monitor the reach of expected results.

Projects seeking support must be suitable for the subject areas established by Decree N°. 6,527/2008, which authorized the creation of the Amazon Fund, as well as adhering to guidelines in the Sustainable Amazon Plan (PAS), Prevention and Control Plan of Deforestation in the Legal Amazon (PPCDAM) and State Plans to Prevent and Combat Deforestation. They must also follow the guidelines and resource application criteria established by the Guidance Committee of the Amazon Fund (COFA) and should be in keeping with related public policies.

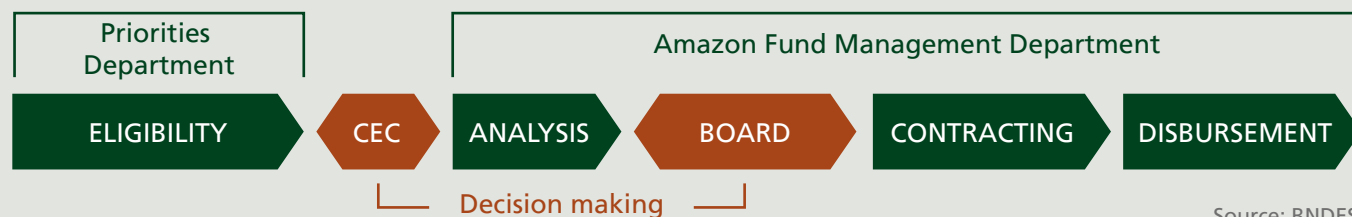
## Project processing

A project's complete operational cycle at the BNDES comprises the phases of eligibility, analysis, contracting and disbursement. Two BNDES departments are responsible for running these stages – the Priorities Department (DEPRI) and the Amazon Fund Management Department (DEFAM) – part of the Planning Division and the Environmental Division, respectively.

Technical assessments are submitted, at different times, to two collegiate bodies: the Eligibility and Credit Committee (CEC), and the BNDES' Board of Directors.

Figure 4 summarizes the phases of the described project processing and the technical areas responsible.

Figure 4: BNDES operational phases



Source: BNDES.

## Eligibility

Requests for financial support from the Amazon Fund begin with applicants submitting a formal proposal. To prepare this document, the BNDES provides a script with the information required, so the initial concept of the project is understood. The institution applying is considered the company that submits the proposal to the Amazon Fund. For the BNDES, they are responsible for implementing projects and all other associated obligations, such as sending reports on the progress of their project as well as monitoring and assessing results.

Proposals for financial support are received and assessed by DEPRI, which checks project documentation and compliance with the guidelines and criteria applicable to the Amazon Fund. The document presents information on the institution applying and the project for which financial support is being requested. Based on this information, a preliminary assessment of the institution applying is made, including its managerial ability, history of performed projects and their registration classification, among other aspects.

After this assessment, the proposal for project support is submitted to the CEC, comprising deputy managing managers from the BNDES, to decide whether the BNDES will continue analyzing the

project. Notification of the CEC's decision is sent to the institution applying.

### ***Analysis***

If the CEC decides the project is eligible, DEFAM begins the analysis stage. At this point, a detailed analysis of the project and the applicant is initiated, which includes detailed knowledge of the project concerning the technical, legal and institutional aspects, performance of technical visits as well as meetings with the technical team responsible for presenting the project. Once the analysis is complete, DEFAM draws up the technical recommendation for financial support for the project, which is then decided by the BNDES' Board of Directors.

### ***Contracting***

Should it be approved, the presentation phase begins when the beneficiary presents the required documentation so the project can be contracted. After the contract is signed, project implementation begins.

### ***Disbursement***

Resources are disbursed in installments, according to the terms of the signed contract

and the activity schedule agreed upon. The BNDES/Amazon Fund team carries out technical monitoring to check the progress of project implementation.

This operational flow is published on the BNDES' and Amazon Fund' websites, where all the steps for analysis and granting financial collaboration are described, including the decision-making areas. Detailed procedures to present requests for support are widely disclosed. Information related to the documentation required for each phase is available on the Amazon Fund's website, including document templates to follow up on project implementation.

## **INSTITUTIONAL COORDINATION AND TECHNICAL COOPERATION**

As the manager of the Amazon Fund, the BNDES maintains a permanent dialogue with several stakeholders, aimed at constantly promoting the transparency of their activities, obtaining technical help in operations and establishing partnerships.

Among these efforts, it is important to highlight the technical cooperation agreement between the Amazon Fund and the German

technical cooperation agency GIZ, whose work plan is based on achieving the following objectives and results:

- applicants with more institutional capacity to develop and implement projects for the Amazon Fund;
- instruments to monitor impacts and results of improved projects;
- strengthening the Fund's international cooperation, including identifying opportunities to conduct projects abroad;
- knowledge of comparative experiences in developing science and technology policies, notably in the biotechnology area;
- identification of opportunities in sustainable production activities; efforts aimed at preservation and the sustainable use of biodiversity, environmental services; efforts together with traditional people, communities and indigenous land; land-title regularization and recovery of deforested areas; and
- identification of innovative financial mechanisms.

In 2014, the following activities stood apart:

- specialist in areas deemed priorities in operations continued to present a cycle of lectures to the Amazon Fund team;
- continuity of support to prepare and bring in help within the strategic scope of raising funds;
- preparing technical input and logistical support to hold state Technical Meetings, within the scope of calls-to-submission of projects focused on providing support to territorial and environmental management plans on indigenous land;
- seeking out technical input to revise regional/systemic indicators in the Logical Framework of the Amazon Fund;
- generating technical input for conceptual instruments to assess effectiveness;
- preparing geo-referenced maps to help disclose the Amazon Fund's operations.

## COMMUNICATION

Among the transparency instruments and dialogue, the following must be highlighted:

### *The Amazon Fund's website:* *<[www.amazonfund.gov.br](http://www.amazonfund.gov.br)>*

The BNDES maintains a website for the Amazon Fund, which also has sections in English and Spanish. Since its release, in 2010, the website has undergone successive improvements.

In 2014, the monthly average was 3,340 hits. Approximately 77% comes from Brazil, mainly from the states in the Amazon Region and Rio de Janeiro, São Paulo and Distrito Federal. International access comes from a hundred countries, with the United States, Norway, United Kingdom and Germany standing out.

### *Contents of the website*

The Amazon Fund makes several types of information available on the internet, such as the process to approve projects and the documentation required in each phase of the project. Public support is conducted through the "Contact Us" section (e-mail), over the telephone or reading the "frequently asked questions."

Its complete portfolio of projects is available and, in detail, the supported projects with the following information included, among others: name of the project and entity responsible,

territorial scope, beneficiaries, objectives, total cost of the project, the amount of the Amazon Fund support, date of completion, date of approval and date of award. Disbursements already made to projects are always disclosed, as well as the activities performed within its scope.

The BNDES does not disclose any information resulting from the analysis it conducts as manager and which, somehow, may jeopardize the applicants' image or reputation.

## Annual reports

To increase the transparency of its activities, the Amazon Fund publishes its annual reports online. In addition to serving as instruments to render accounts, the reports record and disclose the Amazon Fund efforts and results to society. So far, the annual reports from 2009 to 2014 have been published.

## Bulletins

As of 2010, to render accounts concerning its activities to COFA and donators, and to expand communication with the general public, the Amazon Fund began publishing a bulletin with the main events related to work performed. Overall, some 50 bulletins had been published

by December 2014, disclosing seminars, the Amazon Fund's presentations in Brazil and abroad, workshops, approved projects, among other events. Bulletins are published on the Amazon Fund's website and sent via direct mail to registered e-mail addresses.

## Events in 2014

The BNDES team also participates in several kinds of events as a way to disclose the Amazon Fund efforts and render accounts to donors and society. In 2014, the participation of the Amazon Fund in the following events should be highlighted:

### ***6th Meeting of the Board of the Green Climate Fund – February 19 to 21 – Bali, Indonesia***

The head of DEFAM, Ms. Juliana Santiago, gave a presentation on the experience of the Amazon Fund at the workshop organized by the Indonesian government focusing on access to resources from the Green Climate Fund (GCF). Programming was part of preparatory events for the sixth meeting of the GCF Board, held in Indonesia from February 19 to 21. Over the following days, the Amazon

Fund team took part in the GCF meeting and also meetings with representatives from the World Bank, BID, KfW, European Investment Bank, JICA, GIZ, French Development Agency (AFD) and IDFC Climate Finance Work.

### ***“New ways to monitor and manage our forests,” an event held by the Food and Agriculture Organization of the United Nations (FAO) – March 21 – Rome, Italy***

On March 21, International Forest Day, the Managing Director of the BNDES' Environment Division, Mr. Guilherme Lacerda, represented the Amazon Fund at the event “New ways to monitor and manage our forests,” held at the FAO headquarters and which brought together participants from Germany, Russia, Norway, Finland, the United States and Italy. At that event, Mr. Lacerda presented a summary of the Fund's five years of operations.

### ***II Partial Seminar on the New Social Mapping Project in the Amazon – April 29 – Belém, in the state of Pará***

Technicians Mariana Bloomfield and Daniel Soeiro represented the Amazon Fund at the

II Partial Seminar of the New Social Mapping Project in the Amazon. The seminar was attended by representatives of researchers and leaders in the communities where the project operates through social mapping workshops in all the states of the Amazon, as well as several courses on environmental legislation, mapping, GPS use, and software geo-processing. The project has a network of 70 researchers spread throughout the Brazilian Amazon, and it is coordinated by professor Alfredo Wagner of the State University of the State of Amazonas.

### ***XVI Seminar on Minas Gerais Economy – September 17 and 18 – Diamantina, in the state of Minas Gerais***

Technician Gil Borba spoke about the Amazon Fund and participated in the round table discussion “Amazon, Sustainability and Development,” which addressed current issues and perspectives for development in the region, together with representatives of the National Institute for Space Research (INPE) and of the Federal University of the State of Pará (UFPA).

### ***XVI General Meeting of the Network of Environmental Funds of Latin America and the Caribbean RedLAC – October 27 to 29 – Guayaquil, Ecuador***

Legal manager Mariana Lima participated in the event, with several presentations on subjects of interest to the fund members and to the general public. The programme included a visit to a protected area in the host country of the meeting. The Ecuadorian Fund provided RedLAC fund members with a field visit to the Galapagos. The RedLAC is made up of 23 environment funds in Latin America and the Caribbean, including the Amazon Fund, which is an important means of exchanging experiences and disclosing activities and projects developed by the different funds.

### ***III National Symposium on the Forest Inventory – November 10 and 12 – Manaus, in the state of Amazonas***

Technicians Dílson Pires and Jorge Sandes represented the Amazon Fund in the III National Symposium on the Forest Inventory, organized by the Brazilian Forestry Service in conjunction with the Brazilian

Company for Agriculture and Cattle-Raising Research (EMBRAPA). At the event, the current panorama and perspectives for the inventory at a national level were presented, as well as the results of state inventories. In parallel sections, the following subjects were addressed: Inventory Applications and Experiences with the IFN; Ecosystem Analysis and Characterization; Studies on Dynamics and Forest Growth; Botanical Identification in Forest Inventories: methods and applications; as well as Remote Sensing.

The National Forest Inventory in the Amazon Biome is financed by the Amazon Fund.

### ***Dialogues on Agro-ecology and Ethical Markets in the Amazon – December 4 – Alter do Chão, in the state of Pará***

Technicians Aline Brandão and Mariana Bloomfield participated in the seminar promoted by the Institute of Forest and Agricultural Certification and Management (IMAFLORA), within the scope of the Forests of Value Project, with the following objectives: to foster debate and reflection on the importance of the ethical market for non-timber forest products and

agro-ecology for development and conservation of the Amazon; to strengthen partnerships between government agencies, civil society organizations, project beneficiaries, universities and others; and to enable an exchange of experience and knowledge between the leaders of the beneficiary communities.

### ***20th Conference of the Parts of the Framework Convention of the United Nations on Climate Changes (COP 20/UNFCCC) – December 1 to 12 – Lima, Peru***

Managers Ana Paula Silva and Fabio Plotkowski, as well as analyst Daniel Soeiro represented the Amazon Fund at COP 20. The team, on December 8 to 12, participated in several meetings, especially the parallel event held by the Amazon Cooperation Treaty Organization (ACTO) and the Ministry of the Environment. At the event, there was a presentation of the satellite monitoring project, supported by the Amazon Fund, aimed at expanding and improving environmental control performed by the ACTO member countries by structuring and implementing observation rooms in each of the countries and by transferring technology developed by INPE.



## Contact Us

To make the flow of information more transparent and secure, the BNDES created the e-mail <fundamazonia-faleconosco@bndes.gov.br>, aimed at answering the public's questions on the website.

All messages received are recorded and answered. Queries that are directly addressed to the BNDES' technical staff and those forwarded, for example, through the BNDES' Press Office, are not quantified.

On 2014, some 164 queries were received and answered by the e-mail <fundamazonia-faleconosco@bndes.gov.br>, from the states in the Legal Amazon, other Brazilian states and from abroad. The main topics concerned clarifications on how to present projects, information on the Fund's areas of operation, and who can become a beneficiary.



# OPERATIONAL PERFORMANCE



## PROFILE OF PROJECT PORTFOLIO

From June 2009 to December 2014, the Amazon Fund approved financial contribution for 69 projects, totaling R\$ 1,039,542,474.00 (US\$ 504,784,883.17).<sup>16</sup> The number of supported projects in this period and the total of resources disbursed per year are presented in Table 5:

Table 5: Supported projects and disbursements – 2009-2014

Year	Nº. of projects approved*	Total amount of support* (R\$)	Amount disbursed to projects (R\$)
2009	5	70,303,338.87	-
2010	8	119,891,704.43	11,105,966.90
2011	8	69,299,105.77	59,740,091.49
2012	13	179,466,341.93	71,205,781.69
2013	14	332,003,810.00	80,903,376.19
2014	21	268,578,173.00	167,954,502.53
<b>Total</b>	<b>69</b>	<b>1,039,542,474.00 (US\$ 504,784,883.17)</b>	<b>390,909,718.80 (US\$ 184,197,825.18)</b>

Source: BNDES.

\* Of the total number of projects receiving support and the total amount of support, excluding three projects with the municipalities Cumaru do Norte, Porto de Moz and Anapu (in the state of Pará). These projects were cancelled with no disbursement. The aggregate values have also been updated due to the cancellation of balances in the implementation of projects.

Disbursements to supported projects are made in tranches during the course of implementation and follow the deadlines established in the physical and financial schedules, which usually vary from one to six years. Of the total number of projects receiving support, some 54 (78%) have received financial resources.

<sup>16</sup> Total amount of support: real to dollar conversion by each board approval's day exchange rate. Amount disbursed to projects: real to dollar conversion by each disbursement's day exchange rate.

<sup>17</sup> The list of the approved projects that have already received funds is presented in Explanatory Note 6 of the Amazon Fund's consolidated financial statements, in Annex 4 of this report.

Table 5 shows that the total disbursed to projects amounts to R\$ 390,909,718.80 (US\$ 184,197,825.18).<sup>17</sup> About 43% of this amount (approximately R\$ 168 million) was disbursed in 2014, representing a 108% increase in the disbursements in relation to 2013.

In addition to presenting projects that encompass several efforts and at different stages of implementation, the Fund's portfolio is also characterized by the different legal natures of those responsible for projects and the geographic distribution of supported efforts.

As illustrated in charts 3 and 4, some 31 (45%) of the 69 projects receiving support come from institutions in the third sector. Financial contribution earmarked for these projects corresponds to 30% of the total value of support from the Amazon Fund. Another 31 projects (representing 66% of the total support amount) were contracted by entities or agencies in municipal, state or federal administrations.

The Amazon Cooperation Treaty Organization is responsible for the international supported project. The ACTO is an intergovernmental organization comprising eight countries that together total 99% of the Amazon Biome.

Charts 5 and 6 show the territorial coverage of the approved projects based on the number of projects receiving support and the respective amount. As illustrated, all states in the Legal Amazon are benefiting from the projects being implemented.

As for the total amount of support, there is no concentration of resources in any of the states in the Amazon. The four states with greater participation in the total amount of financial support (Acre, Amazonas, Mato Grosso and Pará states) cover, together, more than 81% of the total of the Amazon Biome area in Brazil.<sup>18</sup> It is worth mentioning that the states of Pará and Mato Grosso had the highest deforestation rate in 2014.<sup>19</sup>

Chart 3: Number of supported projects, per legal nature of the party responsible

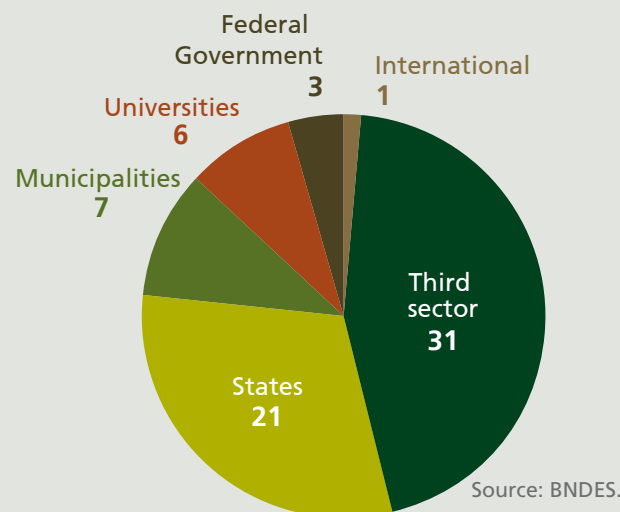


Chart 4: Total amount funded for supported projects, distribution per legal nature of the party responsible

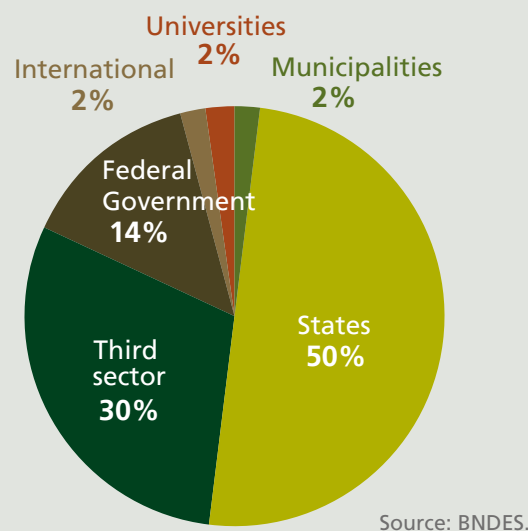


Chart 5: Number of supported projects, per state

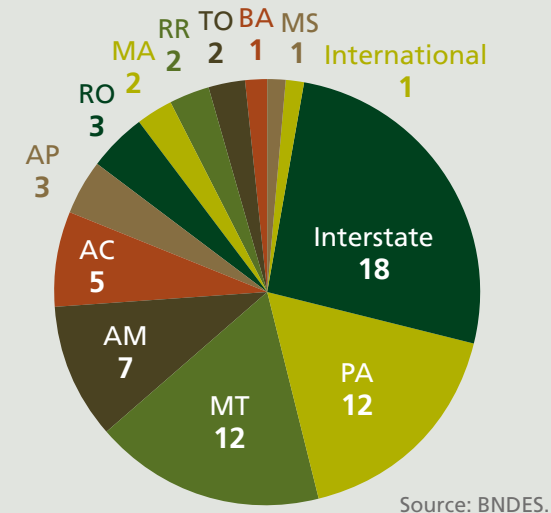
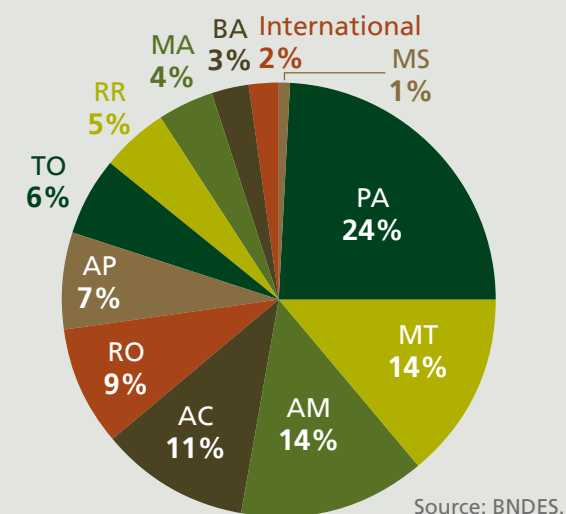


Chart 6: Total amount of support (R\$), per state

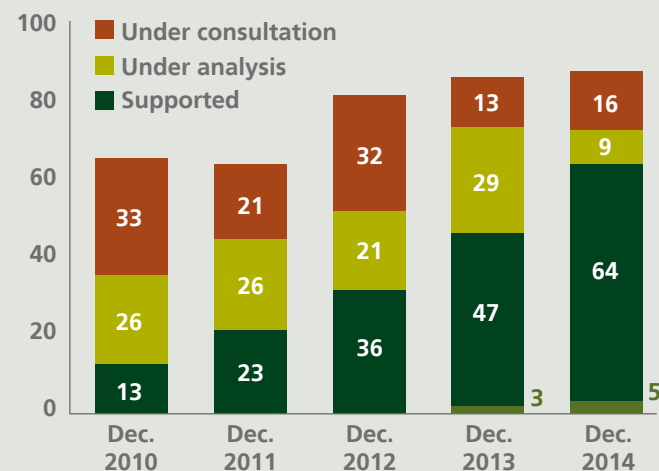


<sup>18</sup> Information available at <[www.ibge.gov.br](http://www.ibge.gov.br)>.

<sup>19</sup> Introduction shows the deforestation rates of the Amazon states in 2014.

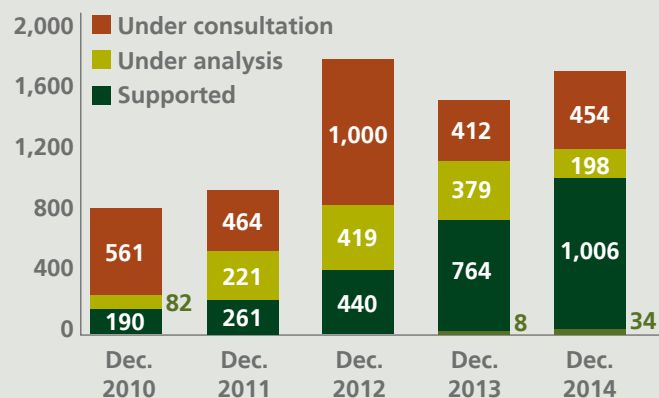
The annual progress of the Fund's operational portfolio (undergoing consultation, analysis and those that have received support) is shown in charts 7 and 8.

Chart 7: Progress in the number of projects, per operational situation at the BNDES



Source: BNDES.

Chart 8: Progress in the total amount of projects, per operational situation at the BNDES

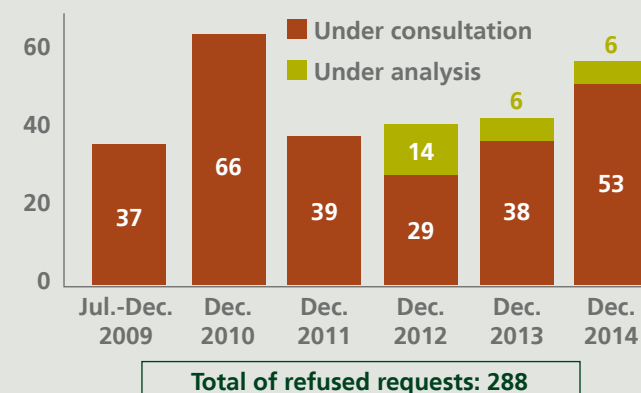


Source: BNDES.

As illustrated in charts 7 and 8, in 2014, the number of projects receiving support grew 38% compared to the accumulated number up to 2013 (from 50 to 69 projects), and the total volume of financial contribution to projects grew 35% (from R\$ 770,964,301.00 to R\$ 1,039,542,474.00).<sup>20</sup>

Chart 9 shows the number of requests for financial support that were denied in the preliminary analysis stage because they failed to meet the eligibility requirements of the Amazon Fund, or because the applicant did not present information and/or documents.

Chart 9: Number of financial support requests presented, but denied support



Source: BNDES.

<sup>20</sup> Differences between the current amounts and those referring to portfolio positions in prior periods are due to the fact three projects were cancelled and unused amounts were reimbursed. Information on cancelled projects is available in the section entitled Monitoring and Assessing Results in the Amazon Fund's website.

## ACCOUNTING AND FINANCIAL ASPECTS

Accounting and financial transactions related to the Amazon Fund are recorded and reported in accordance with legislation in effect and with the principles and norms established by the Federal Accounting Council (CFC), an independent agency that, among its specific attributions, establishes the norms for independent auditing procedures as well as for general and specific accounting, which should be adopted in Brazil. Through its collegiate bodies and working groups, the CFC plans to streamline the practices adopted in the country to meet the standards established in international norms.

The following tables summarize the information in the audited financial statements and their explanatory notes referring to 2014. The audited statements, with detailed information, are presented in Annex 4.



Table 6: Balance sheet for the Amazon Fund on December 31, 2014 (R\$ thousand)

Asset		Liability	
Current		Current	
Cash and cash equivalents	1,768,599	Project resources	1,768,599
Prepaid expenses	54,413	Cost resources	54,413
		<b>Net equity</b>	
		Accumulated surplus	-
<b>Total assets</b>	<b>1,823,012</b>	<b>Liability and net equity total</b>	<b>1,823,012</b>

Source: BNDES.

Of the total current assets, some R\$ 1,768,599,000 corresponds to the amount available on December 31, 2014, to disburse to projects receiving support. This amount is invested in the Gaia and Gaia II funds, managed by Banco do Brasil. These funds are conservative (fixed-rate investments – Brazilian government bonds) and were contracted to maintain monetary correction and to remunerate the available balance to provide financing to projects (see “Financial income” in Table 7).

Receiving donations engenders a commitment to third parties, as resources are linked to counter investments, as established in Decree N°. 6,527/08 and in donation agreements. Thus, the amounts are recorded as the Fund’s financial assets and, as a counterpart, in the entry “resources for projects” in liabilities. In other words, accounting records establish that donations do not imply any increase in the Fund’s equity.

Table 7: Financial statements for 2014 (R\$ thousand)

<b>Revenue</b>	
Donation revenue for investments	167,954
Donation revenue for costs	1,050
Financial revenue	154,786
	<b>323,790</b>
<b>(-) Expenses</b>	
Expenses with donations for investments	(167,954)
Administrative expenses	(1,050)
Expenses with project resource remuneration	(154,786)
	<b>(323,790)</b>
<b>Surplus/deficit for the period</b>	<b>0</b>

Source: BNDES.

While the balance sheet shows accumulated balances, the earnings statements consider only what happened in a specific year. The total of R\$ 167,954,000 presented in the entries “Donation revenues for investments” and “Expenses with donations for investment” is related to the values effectively disbursed in 2014 to projects receiving support from the Amazon Fund.

In accordance with the understanding of the Brazilian Federal Revenue Office of the 7th Region, donations to the Amazon Fund, on their entry date, should not be included in calculations related to Income Tax (IR) and Social Contribution on Net Profit (CSLL). To check these taxes, upon disbursing resources to a project receiving support, one expense entry and one revenue entry should be made on the same date and in the exact same amount disbursed. Thus, the calculation for IR and CSLL

related to donations to the Fund will equal zero, and no tax will be withheld for the public treasury.

The amount of R\$ 1,050,000, listed in Table 7, refers to the BNDES' appropriation in 2014 of the costs and expenditures related to the Amazon Fund.

Profit from the Gaia and Gaia II funds, valued at R\$ 154,786,000, is considered revenue and expense as it corresponds to remuneration from resources available to disburse to projects, presented on balance sheets as the balance of the entries "Cash and cash equivalents" and "Resources for projects."

## Audits

Every year, the Amazon Fund undergoes the following auditing process:

1. Financial audit: to evaluate the reliability of balances recorded in the Amazon Fund's financial statements, as well as the appropriate allocation of these balances in the BNDES' financial statements.
2. Compliance audit: to assess if supported projects, bearing in mind their goals, products, services and planned efforts are in

compliance with not only the requirements in Decree N°. 6,527/08, but also with criteria and guidelines established by the Guidance Committee of the Amazon Fund (COFA), the Sustainable Amazon Plan (PAS) and Prevention and Control Plan of Deforestation in the Legal Amazon (PPCDAM).

Financial audit procedures related to 2014 were carried out by KPMG Auditores Independentes. The auditor concluded that the accounting balances presented by the BNDES were appropriate. The compliance audit was carried out by BDO RCS Auditores Independentes, which also concluded that the projects receiving support from the Fund in 2014 were in compliance.

The independent auditors' reports, as well as the compliance audit report, are available in Annex 4.



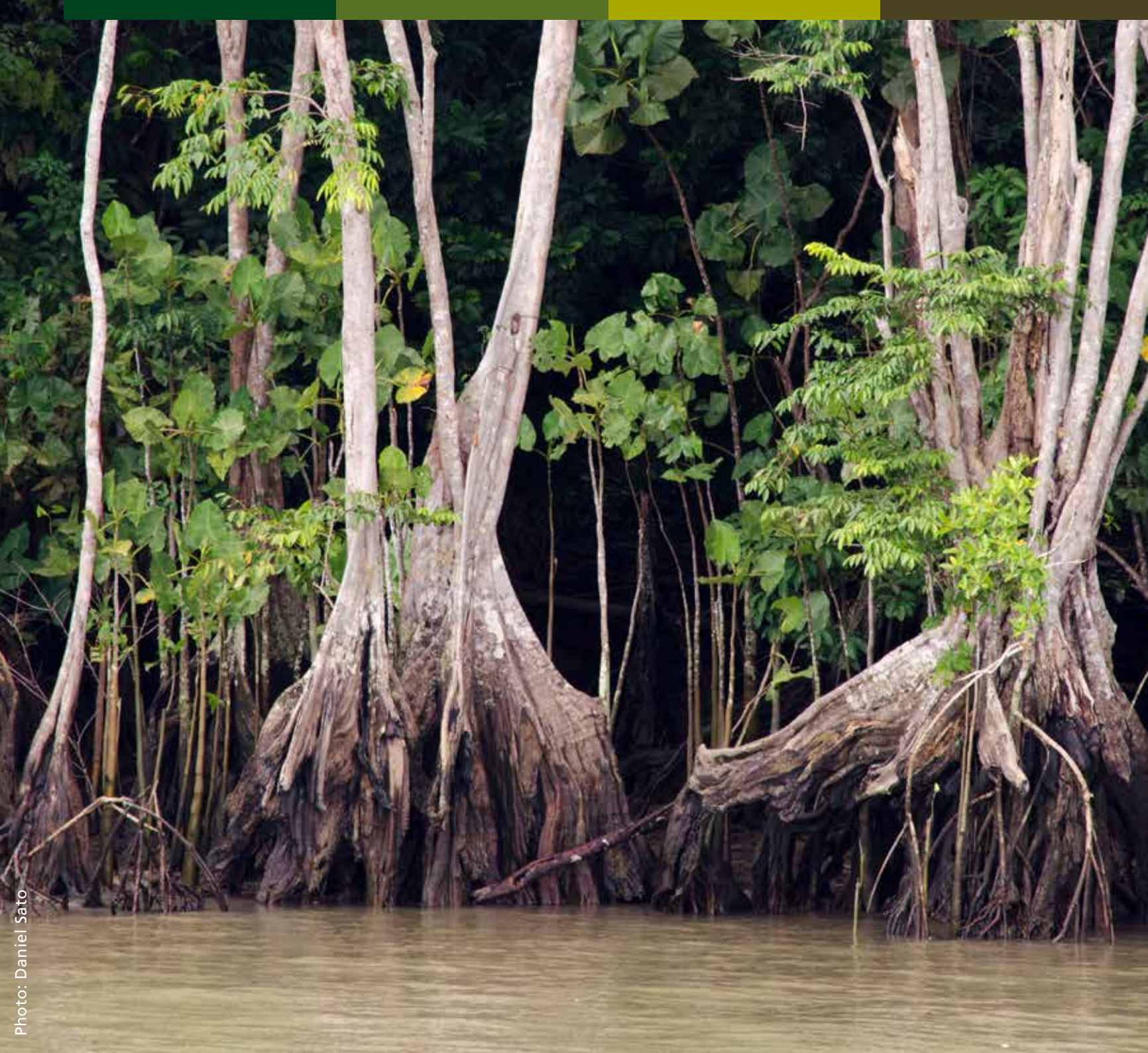


Photo: Daniel Sato

# MONITORING AND ASSESSING RESULTS



## CONTEXTUALIZATION

The Amazon Fund supports efforts to prevent, monitor and combat deforestation and promote the sustainable use of natural resources in the Amazon Biome. Its main reference is the Plan to Prevent and Control Deforestation in the Legal Amazon (PPCDAM).

The PPCDAM is based on a periodic diagnosis of the extent, dynamics and means of deforestation. The Logical Framework of the Amazon Fund, a tool employed to plan, manage, monitor and assess results and impacts, was developed by primarily taking the diagnosis of this plan into account, indicating the following main causes of deforestation in the Amazon:

- the expansion of farming and cattle-raising, driven by the increasing demand for commodities in the global market;
- impunity for environmental crime, due to the poor capacity of governmental agencies to monitor and punish wrongdoers in a territory of such magnitude;
- the existence of unused publicly-owned lands and poor legal security concerning land titles for properties in the region, which

encourages the illegal occupation of public land, conflict over land ownership, and discouragement of private investment; and

- low economic draw to preserve the forest due to the lack of proper infrastructure and incentives to foster sustainable production sectors.

Also identified was a strong need for investments in innovation and scientific production aimed at recovery, conservation and sustainable use in the Amazon Biome.

When structuring the Logical Framework of the Amazon Fund, the seven specific areas defined in Decree N°. 6,527/2008 were also considered, regulating the operations of the Amazon Fund, namely:

1. management of public forests and protected areas;
2. control, monitoring and environmental inspection;
3. sustainable forest management;
4. economic activities developed based on the sustainable use of the forest;
5. Ecological-Economic Zoning (EEZ), land-use planning and land-title regularization;

6. conservation and sustainable use of biodiversity; and

7. recovery of deforested areas.

The decree that authorized the creation of the Amazon Fund established that up to 20% of the Fund's resources can be used to develop monitoring and control systems for deforestation in other Brazilian biomes and other tropical countries.

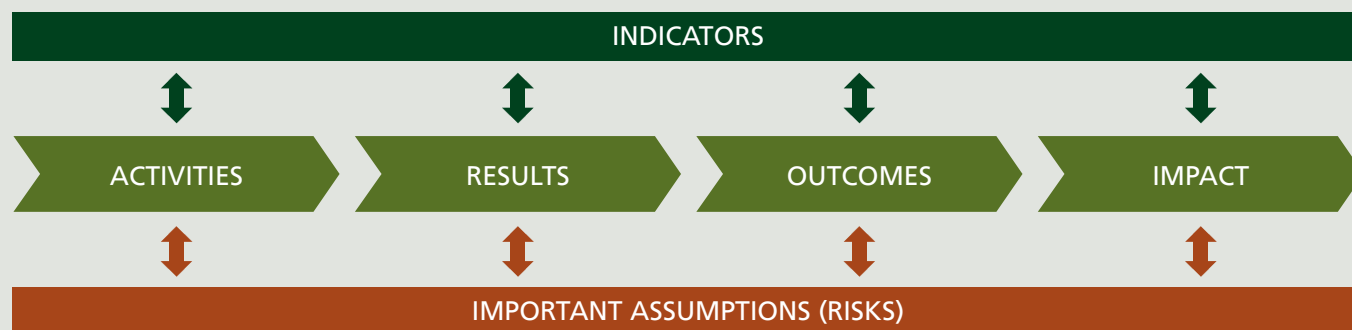
The Amazon Fund impact (strategic target) was defined within this context, focusing on a specific proposition and focusing on this biome. This in no way affects the Amazon Fund's capacity to support the development of systems to monitor and combat deforestation in other Brazilian biomes, as well as in other tropical countries. Thus, the general objective of the Amazon Fund announced in its Logical Framework is: **"Reduction of deforestation together with sustainable development in the Amazon Region."**

## THE LOGICAL FRAMEWORK OF THE AMAZON FUND

The Logical Framework of the Amazon Fund was established in 2009 and consolidated in 2010. It is a matrix that includes strategic guidelines on how to invest its resources, with general and specific targets, results and activities. It also has indicators for implementation and effectiveness that aim to assess results and impacts, besides identifying external risks that go beyond the governance of the Amazon Fund.

Considering the logical sequence of cause and effect, ranging from activities in projects receiving support up to the Fund's impact, including its interactions with established indicators and identified risks, the Amazon Fund presents the following intervention logic:

Figure 5: Sequence of the intervention logic



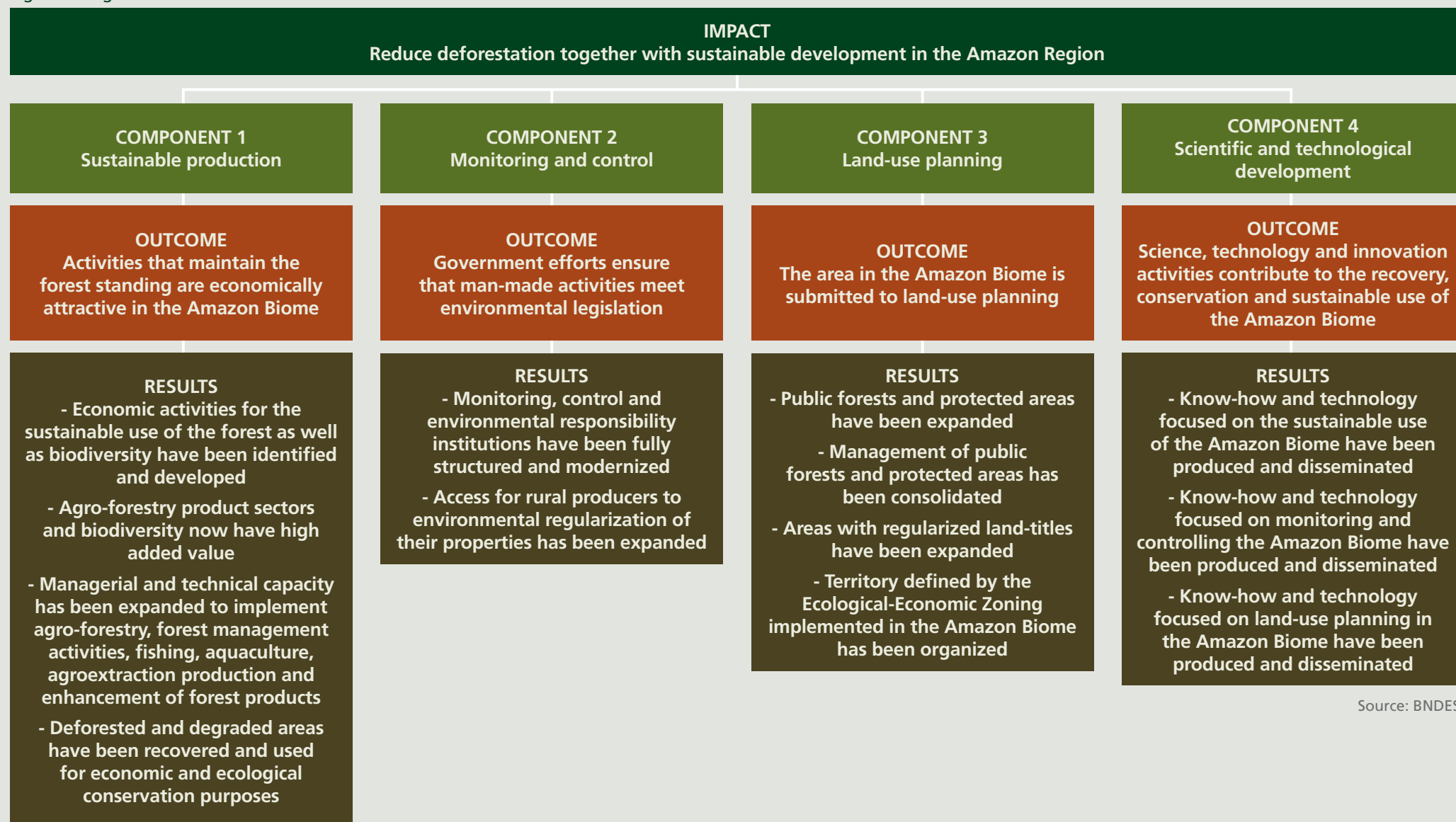
Source: BNDES.

The Logical Framework of the Amazon Fund, when facing the problem at hand and considering the conditions established for the Fund's operations, is aligned with the three areas of the PPCDAM, namely: (i) fostering sustainable production activities; (ii) environmental monitoring and control; and (iii) land-use and territorial planning, as well as incorporating a fourth component focused on scientific and technological development of an across-the-board nature.



The figure below shows the intervention logic of the Logical Framework of the Amazon Fund.

Figure 6: Logical Framework of the Amazon Fund

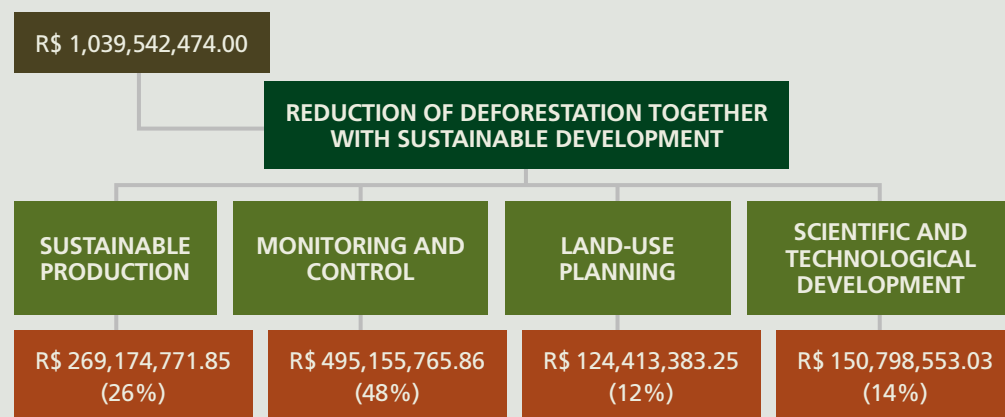


Source: BNDES.

## Distribution of the resources per component within the logical framework

The Amazon Fund provided support to a total of 69 projects up to 2014. The efforts and resources within these projects are spread across the four components in the Logical Framework as follows:

Figure 7: Distribution of resources through support components in the amazon fund



Source: BNDES.

Some of the projects receiving support have efforts in other Brazilian biomes and other countries with tropical forests, in the amount of R\$ 83 million. This amount is distributed via the components of the Logical Framework of the Amazon Fund as follows: R\$ 16.7 million in the component "monitoring and control" refers to efforts in other countries and R\$ 59.3 million, refers to those in other Brazilian biomes. In its turn, some R\$ 7 million in the component "scientific and technological development" is earmarked for efforts in other countries, aiming to produce and disclose knowledge and technologies directed toward monitoring the changes in how land is used as well as how forests are

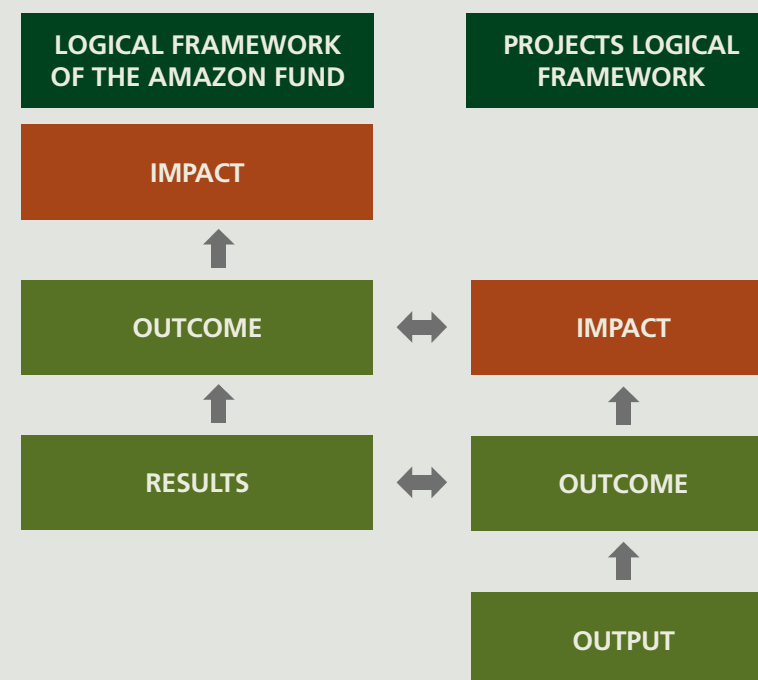
explored in the member countries of the Amazon Cooperation Treaty Organization (ACTO).

## THE LOGICAL FRAMEWORK FOR PROJECTS

For each project, a specific logical framework is prepared in accordance with the beneficiaries and integrated with the objectives defined in the Logical Framework of the Amazon Fund.

The following figure illustrates the way the results and effects at project level should help develop the four components and, thus, achieve the impact of the Amazon Fund:

Figure 8: Including projects in the Logical Framework of the Amazon Fund



Source: BNDES.

## FOLLOW-UP AND MONITORING RESULTS OF THE AMAZON FUND'S PROJECTS

When accompanying and monitoring projects receiving support from the Amazon Fund, in addition to indicators in the logical framework for each project, other procedures are carried out to prevent or resolve situations that jeopardize their implementation.

The follow-up period for each project begins when the contract is signed and ends when the contractual obligations are fulfilled. To facilitate the follow-up period, the party responsible for implementing the project receiving support from the Amazon Fund should forward project performance reports, containing, among others, the following information: (a) a summary of the main activities carried out in the period; (b) a table with project uses and sources, showing the total financial amount employed and accumulated in the period; (c) proof that the organization is up to date with its taxes and labour obligations.

Follow-up carried out by the BNDES includes, among other procedures, verifying the physical and financial implementation of the project through visits to the project site, when necessary; analyzing the beneficiary's financial data; and verifying compliance with requirements established in the contract. Each release of resources only occurs once compliance with applicable standards and contractual clauses has been verified.

Upon completing the project, beneficiaries should present an assessment report of their results. The main aim of this report is to consolidate information on implementing the supported project, as well as its results and impact. It should also contain information on the project's progress, monitoring of indicators of its logical framework, future sustainability of results, problems that arose during implementation, as well as know-how generated and lessons learned.

## Results of projects receiving support from the Amazon Fund

Projects receiving support from the Amazon Fund are individually followed up. Ongoing activities carried out by the projects are covered in the chapter entitled "Supported Projects." There are several indicators that are common to all projects that allow consolidation and that provide an aggregate vision of the products and services delivered by projects and the impacts resulting from their efforts. It is worth mentioning that, in some cases, the nature of the results is more qualitative, which requires individual analysis.

In addition to following up on projects during implementation, the Amazon Fund discloses a detailed assessment of results and impacts from each concluded project. The Activities Report of 2013 presents the assessment of the first three projects concluded with the support of the Amazon Fund. The chapter "Supported Projects" in this report begins with an impact assessment of two important projects that were concluded in 2014, namely, the project Going Green (Virada Verde), for which The Nature Conservancy (TNC) of Brazil is responsible, and the project

Socio-environmental Management of Pará Municipalities, which is the responsibility of the Amazon Institute for Man and the Environment (IMAZON).

The following tables present the consolidation of results and impacts measured using indicators selected in the logical frameworks for projects receiving support from the Amazon Fund, as well as their contextualization and a qualitative assessment of the effect already reached.

## Sustainable production component

Table 8: Indicators for the sustainable production component

Sustainable production indicators	
Workshops and training courses	313
Individuals trained in sustainable economic activities	8,466
Community organizations strengthened	93
Small-sized subprojects (up to R\$ 100,000) supported by other entities	1,212
Large or medium-sized subprojects receiving support from other entities	17
Rural properties with sustainable production projects	2,806
Rural properties benefiting from technical assistance	2,919
Forest area directly managed as a result of projects receiving support (hectares)	8,110,000
Processing units of family farming products and plant extraction implemented	5
Revenue from the sale of in natura products (R\$ thousand)	26,875
Individuals directly benefit from the activities receiving support	65,118

Source: BNDES.

The six-year period of operations run by the Amazon Fund is a still short period for any significant growth in the scale of product sector using socio-biodiversity in the Amazon region. Nevertheless, positive results have already made an appearance, as demonstrated by the indicators for revenue from the sale of in natura products under the projects receiving support from the Amazon Fund.

The projects that had most helped generate income for the traditional populations and the small farmers of the Amazon region were the following: Forest Assistance Programme (Amazônia Sustentável Foundation), Banco do Brasil Foundation-Amazon Fund (Banco do Brasil Foundation) and Adding Value to the Forestry Environmental Asset (state of Acre). Among the products commercialized, the following are worth mentioning: rubber, Brazil nuts, organic guaraná, açaí berry, cassava flour as well as production and marketing of handicrafts.

Small subprojects also receive support by the Society, Population and Nature Institute (ISPN) and the Federation of Agencies for Social and Educational Assistance (FASE).

In the case of projects under the responsibility of the Sustainable Amazon Foundation (FAS), which develops the Forest Assistance Programme (PBF), the Amazon Fund supports the components for income generation and associativism. The PBF recognizes values and rewards the traditional populations that undertake the formal commitment to zero deforestation. The support from the Amazon Fund to this project allowed the FAS to support 1,099 small subprojects (up to R\$ 100,000). It is worth mentioning that, in such case, the concept of a project is quite simple, and it is the end subproject beneficiaries themselves who are responsible for discussing and planning it within the scope of 15 associations from 15 protected areas (PA) that the project assists in the state of Amazonas.

Support for this project resulted in reducing deforestation in the PAs that benefit, as well as proving that this deforestation rate is approximately 15 times lower when compared

with the deforestation rate in other PAs that do not benefit from the PBF.<sup>21</sup>

Subprojects supported by the Banco do Brasil Foundation (FBB) are larger, varying from R\$ 393,000 to R\$ 1.5 million (average amount of R\$ 892,000). The projects receiving support within the scope of cooperation between the Amazon Fund and the FBB include production projects that benefit the indigenous ethnic groups Gavião, Arara, Cinta Larga, Zóro and Kayapó, as well as agricultural reform settlements and other family farmers.

Another significant contribution from these projects is that, in addition to fostering sustainable extraction in significant areas, increasing their economic value and generating income, the traditional populations that live there are mobilized to monitor and report any deforestation and/or other illegal activities.

The supported projects also promote social inclusion and improve income for traditional populations and small family farmers, in addition to promoting the formation of work associations and new forms of collective production. Accordingly, the indicator that

monitors the number of individuals directly benefiting from sustainable activities receiving support resources from the Amazon Fund, which has already surpassed the milestone of 65,000 individuals, indicates that the projects receiving support have reached relative scale.

<sup>21</sup>Source: Activity Report from the Sustainable Amazon Fund in 2013.



## Monitoring and control component

Table 9: Indicators for the monitoring and control component

Indicators for monitoring and control	
Strengthened environmental agencies (federal, state and municipal)	55
Trained civil servants	986
Rural properties with georeferenced mapping to enroll in the CAR	23,544
Area of properties with georeferenced mapping to enroll in the CAR (hectares)	10,350,350
Rural property enrolled in the CAR (protocol)	138,854
Area of rural property enrolled in the CAR (protocol) – in hectares	37,404,609
Amount disbursed to projects to combat illegal forest fires and burn-offs	57,019
Individuals trained in firefighting techniques to create civil fire brigades	3,142

Source: BNDES.

Indicators presented in Table 9 measure intermediate deliveries and impacts from several projects receiving support within the scope of deforestation monitoring and control. Several efforts receiving support aim at institutionally strengthening governmental entities, including structuring them with equipment and technologies, as well as technical training for their teams. It is important to mention that the Amazon Fund does not pay civil servants any wages, which is one of the counter-investments from these bodies.

It is not only public agencies that work in the monitoring and control component. This report presents the evaluation of results and impacts from two projects completed in 2014, which were implemented by civil society organizations (see the chapter entitled “Supported Projects”). Under the responsibility of the TNC Brazil and IMAZON, these two projects had a significant impact on the reduction of the deforestation rate in territories where they were implemented.

In the case of the project Going Green (TNC), implemented in 12 municipalities across the states of Mato Grosso and Pará, there was a 41% drop in the deforestation rate in these municipalities once

it had been implemented. The reduction in the deforestation rate in these two states, excluding the municipalities benefiting from this project, was 34%, which proves that in the municipalities receiving support from the Amazon Fund, the fall in the deforestation rate was greater than that in the remaining municipalities.

The same phenomenon occurred in the case of the project Social and Environmental Management of Municipalities in Pará (IMAZON), in which there was a 44% drop in the deforestation rate across 11 municipalities in the state of Pará, where this project has been implemented. Meanwhile, the fall in the deforestation rate in this state, excluding the municipalities benefiting from this project, was 37%, which confirms that support from the Amazon Fund has helped accelerate and deepen the deforestation reduction process.

These projects ran together with several other initiatives, such as the list put together by the Ministry of the Environment with priority municipalities for efforts aimed at controlling and monitoring deforestation in the Amazon; and signing the Terms for Change in Cattle-Raising Conduct, the initiative headed by the Federal Public Prosecutor’s Office in

the states of Pará and Mato Grosso, involving more than a hundred local players, including meat packing companies, tanneries, footwear manufacturers and other firms that resell products using raw material coming from livestock.

It is not possible to isolate the contribution of each project supported by the Amazon Fund for reducing deforestation rates; however, it can be inferred from the several individual indicators for each project and their deliveries, as well as the already visible results, that they are making a substantial contribution within this process. In some cases, this contribution is essential, as part of a broader set of competing approaches. An example is the case of the project Going Green (TNC), a pioneer in large-scale support for the CAR, even before it was incorporated into the new Forest Code as a mechanism for the environment regularization of rural properties. The total area of rural properties that this project geo-referenced was approximately 10 million hectares, of which some 6.8 million hectares were enrolled in the CAR, corresponding to 11,700 rural properties.

It should be noted that the Ministry of Environment has developed a dynamic analysis

for deforestation in the Amazon region for the year 2013, based on the allocation of land where this occurred and identifying a direct correlation between the private areas included in the CAR and the decline in its contribution to deforestation rates.

Synergies also occur among projects receiving support from the Amazon Fund itself. Efforts related to the CAR in IMAZON and TNC projects also benefited from support the Amazon Fund offered to the state of Pará to structure its Environment Department (SEMA-PA). This project, which began in 2012, includes several fronts, including improving the CAR issuing process, structuring four regional SEMA-PA units (Marabá, Santarém, Altamira and Paragominas) and expanding the number of municipalities in the state of Pará entitled to implement the municipal environmental management. Thanks to this support, the other projects, also receiving support from the Fund in the state of Pará, achieved results, highlighting the projects completed in 2014.

Support for SEMA-PA made it possible, in the state of Pará, for some 27.5 million hectares to be enrolled in the CAR, considering,

exclusively, the period from 2012 to 2014 to implement the project's efforts, corresponding to approximately 100,000 rural properties. It is worth mentioning that this support from the Amazon Fund to the CAR in the state of Pará has been expanded since a new project was approved at the end of 2013 (Green Municipalities Programme), and the results attributable to the financial support from the Amazon Fund to this new project have not yet been quantified, as it is in the early stages of implementation, even though the programme has existed for a few years.

With regard to combating forest fires and illegal burn-offs, it is worth mentioning that R\$ 57 million was disbursed to five state military fire departments. In 2014, two new projects aimed at forest firefighting were approved. The first, for the Military Fire Department in the state of Roraima and the second for the National Center to Prevent and Combat Forest Fires (PREVFOGO), of the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), an agency of the Federal Government.

Projects to combat forest fires receiving support from the Amazon Fund already

include the acquisition of a great deal of equipment, such as beaters (swatters), backpacks, GPS, radios, vehicles, computers, as well as two fixed-wing aircrafts to monitor and combat forest fires. Meetings between fighters and managers from other public organizations are also being organized to integrate and coordinate the efforts of these entities when fighting illegal forest fires and burn-offs. In addition, some 3,142 individuals were trained in firefighting techniques to create civil fire brigades.

It is important to mention that two projects were cancelled in 2014, with no resources disbursed. These projects were cancelled as they failed to present the certificates legally required for contracts with the public sector (municipality of Porto de Moz) and in compliance with a request to cancel the support, presented by the interested party (municipality of Anapu). These projects were approved in 2011 (Anapu) and 2012 (Porto de Moz), in the amount of R\$ 431,940.00 and R\$ 337,206.46, respectively. Together with a project of the municipality of Cumaru do Norte, cancelled in 2013, three projects were cancelled with no resources disbursed.

## Land-use planning component

Table 10: Indicators for the land-use planning component

Indicators for territorial planning	
Protected areas supported	94
Protected areas created (km <sup>2</sup> )	6,682
Extension of protected areas with strengthened environmental management and/or territory control (km <sup>2</sup> )	144,899
Number of geo-referenced rural properties for land-title regularization	2,594
Area of geo-referenced rural properties for land-title regularization (hectares)	203,660

Source: BNDES.

In the “land-use planning” component, the indicator that monitors the consolidation of the PA management can be highlighted. The project Protected Areas in the Amazon (ARPA) – Phase 2, under the responsibility of the Brazilian Biodiversity Fund (FUNBIO), supports the consolidation of 94 protected areas by designing management plans, holding meetings with their managerial councils, as well as territorial consolidation activities, designing and implementing protection plans and purchasing basic managerial equipment.

As a result, some 44,000 km<sup>2</sup> of protected areas were consolidated, considered specific milestones established under this project. Taking into account the contributions from other projects receiving support from the Amazon Fund and adopting more flexible criteria to measure how consolidated the management of the protected areas is, the result is an area of 145,000 km<sup>2</sup> of protected areas with environment management and/or control of its strengthened territory.

The importance of federal and state PAs and the important contribution from indigenous land to conserving the natural resources and the forest are made clear when compared to the area of the Legal Amazon already deforested, which corresponds to approximately 19% of the original forest

coverage (or 15% of the Legal Amazon's total area),<sup>22</sup> and the area deforested in protected areas and indigenous land,, which corresponds to approximately 2.5% of the total area. That is, the existence of the protected areas and indigenous land works as an important inhibitor for deforestation activities, and these protected areas and indigenous land correspond, together, to 47% of the Legal Amazon's total area.

It is important to remember that the National System of Protected Areas (SNUC) covers two groups of PAs: PAs for integral protection and PAs for sustainable use. This latter group conciliates nature conservation with the sustainable use of a portion of its natural resources.

Support from the Amazon Fund to projects for PAs territorial protection and environment management, as well as indigenous land and fostering sustainable production activities in these territories, has increased significantly. The PBF, under the responsibility of the FAS, has been developed in state-run PAs, in the state of Amazonas. There are already four projects receiving support from the Amazon

Fund focusing exclusively on helping indigenous people, in the total amount of R\$ 68 million in financial contributions, in addition to R\$ 14 million that benefited indigenous communities in another eight projects.

It is worth mentioning that, in 2014, three important projects that will benefit these people were approved, under the responsibility of two non-governmental organizations – Center for Indigenous Work (CTI) and the TNC of Brazil – and government agency from the state of Amazonas – the State Department for Indigenous People (SEIND-AM). In 2014, a new public call-for-submissions was published for projects from non-governmental organizations, focused on indigenous land and respective populations, in the total amount of R\$ 70 million. This call-for-submissions is currently selecting projects.

## Scientific and technological development component

Table 11: Indicators for the scientific and technological development component

Indicators for scientific and technological development	
Total amount disbursed for scientific and technological research (R\$ million)	17.9
Amount disbursed to invest in infrastructure for scientific and technological research (R\$ million)	6.4
Number of researchers and technicians involved in scientific and technological research activities residing in the Amazon Region to carry out projects	198
Number of scientific, pedagogical or informative publications produced	72

Source: BNDES.

Some R\$ 17.9 million was invested in scientific and technological development. Among the projects receiving support, it is worth mentioning the results already achieved within the scope of the project New Social Mapping, under the responsibility of the Amazonas State University (UEA)/Muraki Institutional Support Foundation, which is under implementation.

This project promoted social mapping in 30 communities throughout the Amazon Biome and strengthened the research network involved in the project. Among the main qualitative impacts,

<sup>22</sup>Source: INPE/PRODES – <<http://www.dpi.inpe.br/prodesdigital/prodesmunicipal.php>>.

it is worth mentioning those concerning the communities benefiting from the project. This is because the participatory process of social mapping has already helped solve many internal conflicts related not only to the occupation of their territories, but also to better cohesion within these communities, and to building a common discourse. It has also become a useful instrument to strengthen these communities under the threat of external pressures. The material produced throughout the project has already been used even in the administrative and legal spheres.

## MONITORING REGIONAL INDICATORS

Within the scope of its Logical Framework, the Amazon Fund identified some regional or systemic indicators related to public policies that the Fund plans to contribute to through projects to which it provides support.

Monitoring these public policies helps understand the progress achieved in fostering the reduction of deforestation through sustainable development in the Amazon. For this monitoring effort, comparatively speaking, the Amazon Fund's indicators are analyzed

with respect to their impacts and, when possible, to their specific goals. The starting point (baseline) for each indicator is the year 2009, since the Amazon Fund's first operations were approved then, however, with no release of financing for these projects.

The current year of assessment is 2014, and in some cases, it is not yet possible to compare data to this year due to the lack of information, which is why the most recent available data is used.

It is important to mention that the Amazon Fund contribution to how these indicators react, although already identifiable and important, as shown in the assessment of completed projects receiving support from the Fund, is not the only influence. There are also initiatives and efforts from several public and private agents that operate in the Amazon.

### **Impact: Reduce deforestation together with sustainable development in the Amazon Region**

#### ***Indicator: (1) Annual deforestation in the Legal Amazon***

One of the indicators selected to assess the progress of the impact was "annual

deforestation in the Amazon Biome", according to measurements made by INPE.

Preliminary data from this institute indicate that, in 2014, deforestation in the Legal Amazon in 2014 was 4,848 km<sup>2</sup>. Since 2004, the deforestation rate in the Amazon fell 83%. When comparing deforestation rates in 2014 and 2009 (baseline), it is found that throughout this period there was a 35% drop, which is clearly very positive (for more information, see the topic "Data on deforestation in the Legal Amazon," in the Introduction of this report).

Analysis of the deforestation dynamics in the Amazon for the year of 2014 have not been made public yet. However, related to 2013, it was identified that deforestation occurred mainly in land reform settlements and non-destined public tracts, which shows which public policies must be developed and which efforts should receive prioritized support. It is up to federal and state governments to establish specific policies and programmes to combat deforestation. Within the context of the Amazon Fund, its Guidance Committee (COFA), comprising 24 members representing agencies from the federal and



state governments as well as civil society, is responsible for establishing and revising support guidelines and criteria.

We highlight that one of the main agents involved in combating deforestation is the Brazilian public sector, through its several administrative structures, both in the federal and in the state and municipal spheres. This does not affect the important contribution from civil society, which not only reports on environmental wrongdoings, but also promotes pioneer initiatives that are frequently incorporated by the established order.

Regardless of the complementary nature of the Amazon Fund support, it has been strategic in efforts to reduce deforestation, to support the continuity and expansion of several essential initiatives, and also to support transformation inducing efforts. Examples of initiatives with these characteristics include support from the Amazon Fund for the development of land use and deforestation monitoring activities in the regional Amazon; large-scale support for the CAR in the Amazon Biome and other Brazilian biomes, as well as support for production activities that promote the standing forest.

Thus, by analyzing the “annual deforestation in the Legal Amazon,” we conclude that the impact of the Amazon Fund (“to reduce deforestation together with sustainable development”) is being achieved in terms of the extent of reduced deforestation, which means that there has been a significant reduction in greenhouse gas emissions resulting from deforestation in the Amazon.

***Indicator: (2) Participation in the Gross Domestic Product for the states in the Amazon Biome in relation to the national GDP***

The second indicator selected to assess the progress of the Amazon Fund impact is the participation in the Gross Domestic Product (GDP) for the states in the Amazon Biome in relation to the Brazilian GDP. That is, the GDP for the nine states in the Legal Amazon is added together and this subtotal is compared to the national GDP total.

The GDP is a basic indicator for the economy's behavior, which demonstrates economic development in a certain region. However, it is not the ideal indicator to assess sustainable development, as it does not include

information, for example, on generated environmental damage. Therefore, this indicator needs to be monitored together with the deforestation reduction indicator.

The most recent information made available by the Brazilian Institute of Geography and Statistics (IBGE) on the progress of each state's GDP is related to 2011. In Table 14, it is evident that the participation of the Legal Amazon's GDP in the national GDP is increasing. It is important to mention that Brazil's GDP in 2012 was 11.6% higher than the 2009 GDP (real accumulated variation percentage).

Table 12: Progress of GDP participation for the states present in the Amazon Biome in relation to the Brazilian GDP (in %)

2004	2005	2006	2007	2008	2009	2010	2011	2012
7.96	7.88	7.76	7.81	8.13	8.04	8.13	8.38	8.45

Source: BNDES, based on data from IBGE in partnership with state statistic agencies, state secretariats of government, and the Manaus Free Trade Zone Superintendence (SUFRAMA).

This information, associated with the decrease in deforestation from 2009 to 2013, reveals a positive reduction in deforestation accompanied by an increase in the Amazon's GDP, which indicates that efforts are closer to achieving the impact of the Amazon Fund.

## Outcome: Activities that maintain the forest standing and that are economically attractive in the Amazon Biome (SUSTAINABLE PRODUCTION)

### *Indicator: Production of vegetable extraction and silviculture*

To monitor this component, the "Production of vegetable extraction and silviculture in the states in the Amazon Biome" was selected, whose data are based on an annual publication by the Brazilian Institute of Geography and Statistics (IBGE).

The IBGE obtains data on vegetable extraction production through consultations with public and private entities, producers, technicians and organizations directly or indirectly linked to production, commercialization, industrialization and inspection sectors of native vegetable products.

Vegetable extraction includes exploring native vegetable resources by gathering products. The Amazon is an important source for açai

berry production (edible fruit from a type of palm tree), Brazil-nuts, native rubber, almonds and other oilseed products as well as various fibers. These products have economic representativeness and are commercialized within and outside of the biome.

Progress related to production and revenue from these products will be accompanied due to their economic relevance within the regional context. It also noted that progress in timber extraction is not yet being accompanied due to a lack of systematized information that would enable a clear distinction between legally-extracted native timber and illegally-extracted timber.

In the set of oilseed products, the extraction production of tonka seeds (cumaru), souari nuts (pequi) and copaiba oil, among other products, is being accompanied. In the group of fibers, the piassava fiber palm and the moriche palm (buriti), among others, are being accompanied.

In Table 13, the progress of physical production (in tons) of vegetable extraction for these products is presented for the period between 2009 and 2013.

Table 13: Vegetable extraction production in the states of the Legal Amazon (in tons)

Products	2009	2013	Variation (%)
Açaí berry	115,767	202,216	75
Brazil nut	37,468	38,300	2
Rubber (coagulated and liquid latex)	3,459	1,958	(43)
Oilseeds	1,240	1,281	3
Fibers	2,848	2,904	2
<b>Total</b>	<b>160,782</b>	<b>246,659</b>	<b>53</b>

Source: BNDES, based on data from IBGE.

Table 14 shows the progress of the same products in terms of generated revenue.

**Table 14: Vegetable extraction production in the states of the Legal Amazon**  
(amounts in R\$ thousands)

Products	2009	2009*	2013	Variation (%)
Açaí berry	160,312	202,693	409,698	102
Brazil nut	52,261	66,077	72,055	9
Rubber (coagulated and liquid latex)	7,597	9,605	7,682	(20)
Oilseeds	6,570	8,307	6,922	(17)
Fibers	4,495	5,683	5,611	(1)
<b>Historical total</b>		<b>292,366</b>	<b>501,968</b>	<b>72</b>

Source: BNDES, based on data from IBGE.

\*Updated to amounts in reais from 2013 by the Broad Consumer Price Index (IPCA) for 2010, 2011, 2012 and 2013.

During this period, there has been a 102% increase in açaí berry revenue, exceeding the growth in production (75%). In the case of Brazil nuts, the increase in revenue was 9% while physical production grew 2%. The group of fibers posted a slight fall in revenue (1%) and a modest increase in production (2%). Despite presenting a slight rise in the produced volume (3%), the oilseeds group registered an expressive decline in the value of generated revenue (17%), while rubber presented a 20% drop in revenue associated with a 43% decline in production.

Therefore, it can be inferred that the 72% increase in revenue generated by the set of these products and 53% in the volume produced between 2009 and 2013 were strongly affected by açaí berries and Brazil nuts, which indicates an improvement in extraction of these products and

their market potential. Growth in these indicators also indicates that the effort to achieve the outcomes established in the Logical Framework of the Amazon Fund that “activities that maintain the forest standing are economically attractive in the Amazon Biome”, is progressing positively.

The Amazon Fund provides support to explore the potential of these and other extraction activities, due to their importance as a sole source of income or complementary income for several traditional communities in the Amazon. This can enable them to maintain their practices and cultural values. The scale of this support is increasing, so much so that its impacts help expand extraction production in the direction of a new model for sustainable production in the Amazon Region.

## **Outcome: Government efforts to ensure man-made activities meet environmental legislation (MONITORING AND CONTROL)**

**Indicator: (1) Number of advanced posts (regional units) for state environmental agencies**

**Indicator: (2) Number of decentralization terms that states have signed with municipalities**

**Indicator: (3) Number of authorizations or environmental licenses granted by state environmental agencies**

To monitor this component, indicators were created to measure the effectiveness of state environmental agencies in the Legal Amazon, with regards to their task of implementing the environmental legislation in effect.

Two of the created indicators measure, respectively, the levels of deconcentration and decentralization identified in environmental

management, namely: “the number of advanced posts (regional units) for state environmental agencies” and “the number of decentralization terms that states have signed with municipalities”.

Environmental deconcentration by implementing advanced posts or regional units for state environmental agencies bring these organizations closer to inhabitants and to economic agents from the most distant regions, making environmental management more efficient.

It is up to municipalities to acquire environmental licensing not only for undertakings and environmental activities that have a local impact, but also for those activities delegated by states through a legal instrument or agreement. Therefore, environmental decentralization by delegating to municipalities is key to implementing environmental legislation more effectively in their territories.

A third indicator monitors the “number of authorizations or environmental licenses granted by the state environmental agencies.” Licensing is an important instrument within the National Environmental Policy, and

the increase licenses and other authorizations granted indicates that state environmental agencies have a greater degree of control over man-made activities that interfere with environmental conditions.

Considering the lack of information available to the public to allow monitoring of the aforementioned indicators, data obtained from the state environmental agencies in the Legal Amazon are presented in Table 15.

**Table 15: Regional indicators for the monitoring and control component**

State	N° of advanced posts for state environmental agencies (CONSOLIDATED)		N° of decentralization terms signed with municipalities (CONSOLIDATED)		N° of authorizations or environmental licenses granted that year	
	2009	2014	2009	2014	2009	2014
Rondônia	14	15	1	16	1,923	4,234
Pará	4	4	10	62	3,259	6,785
Acre	5	5	1	2	2,239	1,595
Amazonas	0	5	2	3	2,723	6,105
Roraima	1	0	13	3	183	1,192
Tocantins	20	20	0	31	3,360	12,074
Mato Grosso	11	11	5	11	5,430	9,606
<b>Total</b>	<b>55</b>	<b>60</b>	<b>32</b>	<b>128</b>	<b>19,117</b>	<b>41,591</b>
	Increment: 9%		Increment: 300%		Increment: 118%	

Source: BNDES, based on data from state environmental agencies.

A joint analysis of monitored indicators shows positive progress in all monitored dimensions, highlighting a significant increase (300%) in the number of decentralization terms signed by states with municipalities. The number of authorizations issued by state environmental agencies also posted rather favourable progress, more than doubling in five years (118%). Finally, there was also a 9% rise in the number of advanced posts for state environmental agencies.

Growth in the number of decentralization terms signed with municipalities indicates these entities have strengthened their capacity to take on attributions related to environmental licensing and management. This advance shows the tendency for municipalities to become an increasingly important locus for environmental management.

The Amazon Fund has contributed to this favourable progress by supporting projects that are aimed at institutionally strengthening state and municipal environmental agencies, improving the environmental licensing process, training staff, promoting the deconcentration of environmental management by strengthening regional units, as well as decentralizing and strengthening municipal environmental management.

## **Outcome: The area in the Amazon Biome submitted to land-use planning (LAND-USE PLANNING)**

*Indicator: Area of the states in the Legal Amazon with Ecological-Economic Zoning (EEZ) in the 1:250.000 scale (or larger) with all stages concluded*

To monitor this component, an indicator referring to the preparation of the Ecological-Economic Zoning (EEZ) was created. EEZ is a territory organization instrument that establishes environmental protection measures and standards.

Its main purpose is to provide support for planning decisions to use and occupy territory in sustainable bases. Technical aspects and negotiating pacts between several interested parties help its development, involving public and private agents in the process.

It is a decentralized process that is shared between the federal, state and municipal governments. Within the scope of the Amazon Fund, it monitors progress in developing EEZ at a state level. It is important to mention that the Ecological-Economic Macrozonation in the

Legal Amazon in the 1:1.000.000 scale was concluded in 2010.

To analyze advances made with regards to the EEZ, the following stages were considered:

- planning to implement the EEZ;
- diagnosis to assess the current situation of the area for zoning;
- prognosis aiming to propose efforts for established planning units; and
- standardization through specific legislation.

The Table 16 presents information from the Ministry of the Environment on the extent of the area in states present in the Amazon Biome that have concluded EEZ at the 1: 250.000 scale (or larger), i.e., having already gone through the stages of planning, diagnosis, prognosis and state-law standardization.



**Table 16: Area of states in the Legal Amazon that have concluded Ecological-Economic Zoning in the 1:250,000 (or larger) scale**

Brazilian states	Area of the state (in km <sup>2</sup> )	Area with concluded EEZ (in km <sup>2</sup> )	
		2009	2014
Amazonas	1,559,149		252,985
Acre	164,124	164,123	164,123
Amapá	142,829		
Roraima	224,303	224,300	224,300
Pará	1,247,954	476,742	1,155,166
Tocantins	277,721		33,434
Maranhão	331,937		
Rondônia	237,591	237,590	237,590
Mato Grosso	903,378		
<b>Total</b>	<b>5,088,985</b>	<b>1,102,755</b>	<b>2,067,598</b>
Variation 2009-2014: 87.49%			
Area of states in the Legal Amazon with concluded EEZ: 40.63%			

Source: BNDES, based on data from the Ministry of the Environment.

As can be seen in Table 16, there was an 87% increase in the area with concluded EEZ at a 1:250.000 scale.

The states of Acre, Roraima and Rondônia have already finished preparing their EEZs, and it is important to highlight that the largest part of Pará has already concluded zoning. Thus, it can be understood that there has been significant progress in land-use planning in the Amazon concerning EEZ. By helping to institutionally strengthen state environmental agencies, the Amazon Fund helps prepare and implement the EEZ.

Another aspect of the Amazon Fund support that contributes to land-use planning is the creation of protected areas as well as strengthening its environmental and land management. It has been noted that the Amazon Fund has been increasing its support, both to projects that favour PAs and also projects that encompass indigenous land and the respective populations.

**Table 17: Deforestation in protected areas in the Legal Amazon**

Protected areas	Number of protected areas	Deforested area in 2009 (km <sup>2</sup> )	Deforested area in 2013 (km <sup>2</sup> )	Variation (%)
Federal protected areas	132	287.35	319.18	11.1
State protected areas	178	320.09	293.85	(8.2)
Indigenous land	379	246.51	175.5	(28.8)
<b>Total</b>	<b>689</b>	<b>853.95</b>	<b>788.53</b>	<b>(7.7)</b>

Source: BNDES, based on data from INPE/PRODES.

In Table 17, it can be seen that the deforestation rate has been reduced by approximately 8% in the 689 protected areas in the Legal Amazon, considering the period from 2009 to 2013, favourably highlighting the fall in deforestation on indigenous land (-29%) and negatively the increase in deforestation at federal PAs (11%). Upon analyzing separate data on deforestation at federal PAs, it can be seen that, during this same period, deforestation fell at PAs in terms of full protection (-22%) and increased in terms of sustainable use (15%), which clearly indicates the importance of the support from the Amazon Fund for projects that combat

deforestation and foster alternatives in order to generate work and income for populations living in federal PAs based on sustainable use.

### Outcome: Science, technology and innovation activities contribute to the recovery, conservation and sustainable use of the Amazon Biome (SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT)

**Indicator: Number of patents requested or filed**

The indicator “number of patents requested or filed” was selected to monitor the scientific and technological development component, which helps foster a first assessment that is in synch with how much the regional innovation system has been strengthened.

According to Table 18, in the 2009 to 2013 period, there was a 21.3% increase in the number of requests for patents filed at the National Institute of Industrial Property (INPI) by residents in the states in Brazilian Amazon (the 2013 data are preliminary). This rise was larger than the number filed in Brazil as a whole, which rose 3.4%.

Table 18: Requests for patents filed by residents at the National Institute of Industrial Property

Brazil	2009	2013	Variation (%)
	7,709	7,974	3.4
States in the Amazon	2009	2012	Variation (%)
Acre	3	5	66.7
Amazonas	63	52	(17.5)
Amapá	3	0	0.0
Maranhão	24	39	62.5
Mato Grosso	29	41	41.4
Pará	25	26	4.0
Rondônia	13	18	38.5
Roraima	1	4	300.0
Tocantins	8	20	150.0
<b>Total</b>	<b>169</b>	<b>205</b>	<b>21.3</b>

Source: BNDES, based on data from INPI.

The number of patents filed by residents in the Amazon represents 2.6% of the total patents requested in Brazil, and the population in the Amazon corresponds to approximately 13% of the Brazilian population. These vastly differing correlations indicate that a major effort is needed in the Amazon to overcome this inequality in terms of the capacity to produce know-how and technology.

The reasons for this scenario are complex and have historical roots. They range from differences in investment levels in higher education and research to factors such as the development of the industrial sector in each of these states or regions.

Projects receiving support from the Amazon Fund that are related to science and technology seek to take on this challenge through efforts such as constructing, remodeling or structuring advanced biotechnology research studies, conducting research to develop EEZ-support tools, surveying and processing biological and socio-economic georeferenced data, and developing models in order to estimate biomass and carbon sequestration in ecosystems.

Among the projects receiving support, there is also interdisciplinary research which aims to conduct social mapping in traditional communities and assess socio-economic and environmental impacts resulting from the expanding economic frontier in the states in the Amazon.

### ***Summary of monitoring regional indicators related to the Amazon Fund efforts***

- A 35% fall in deforestation rates has been recorded in the Brazilian Amazon (2009-2014).
- Participation of the Brazilian Amazon GDP in relation to Brazilian GDP continues to grow (2009-2012).

- Both the volume and revenue generated by all monitored products from vegetable extraction grew more than 50% in the period (2009-2013).
- Decentralizing environmental management to municipalities has expanded (300%), the number of authorizations issued by state environmental agencies has also risen (118%), and the number of advanced posts for state environmental agencies also grew (9%) in the period (2009-2014).
- There was an 87% increase in the area with completed EEZ in the 1:250.000 scale between 2009 and 2014.
- The number of patents filed at INPI by residents in the states in the Brazilian Amazon has grown by 21.3%. This rise was larger than that recorded in Brazil (3.4%) – 2009-2013.




## AMAZON FUND RISK MANAGEMENT




Risk management is an integral part of managing the Amazon Fund and its supported projects. External factors that have a negative influence on the implementation of projects or on the possibility of maintaining results achieved by the Amazon Fund are considered risks.

To manage risks in the Amazon Fund, the following format has been defined:




- presentation of identified risks based on the Logical Framework, starting from the intervention logic represented by the Fund's impacts and outcomes;
- assessment of the probability that each identified risk will occur; and
- definition of mitigation measures, where possible, for the Amazon Fund or other agents.

Risk management means periodically revising the behavior of both the risks and effects of mitigation measures:

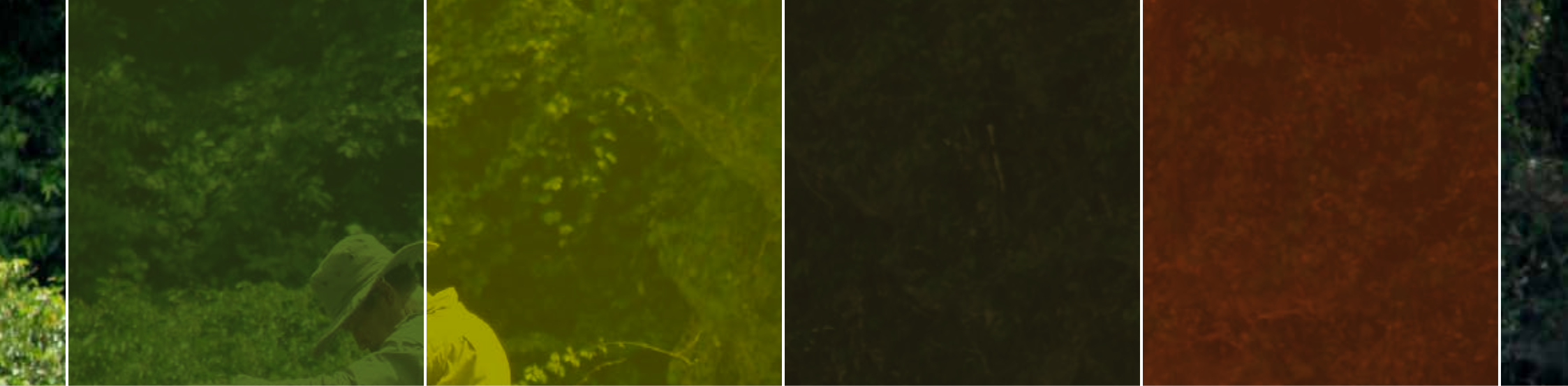
INTERVENTION LOGIC		IDENTIFIED RISKS	PROBABILITY	RESPONSE/RISK MITIGATION
IMPACT	Reducing deforestation together with sustainable development in the Amazon Region	Atypical migration into the Amazon Region which harms the environment and the services provided by the state		<p>Migration into and out of the Amazon have been kept relatively stable. The Amazon Fund has no way of influencing such migration directly. However, it can help mitigate possible negative effects of such migration through support for projects carried out in states and municipalities located along the deforestation belt. The portfolio of projects receiving support from the Amazon Fund includes several environmental management projects in states in that region.</p>
		Changes to Brazil's environmental legislation that reduce the protection of forests		<p>The new Forest Code has introduced changes to the environmental legislation. Among the mechanisms to add value and preserve forests, we can highlight the Rural Environmental Registration (CAR) and Environmental Regularization Programmes (PRA). The Amazon Fund has offered support to implement the CAR and electronic registration which aims to integrate environmental information related to rural properties and temporarily-owned bailments. The next step must be the support for state PRAs. The implementation represents an important stage to recover the environmental damage and to ensure the positive effect of environmental legislation in force to protect the forest.</p>
		Climate change that results in periods of prolonged drought and forest fires		<p>Part of the risk presented by climate change is beyond the Amazon Fund's control and even the Brazilian government's, because it is a global problem. The solution depends on political commitments at an international level. It is understood that the Amazon Fund is itself a preventive or mitigating measure on the negative effects of climate change. When faced with constant drought, the Amazon Fund supports projects to help Military Firefighters in six states in the Amazon, so as to strengthen the ability to prevent, monitor and combat forest fires and unauthorized burn-offs, as well as a project to operationally strengthen the National Center for Preventing and Fighting Forest Fires (PREVFOGO).</p>

	INTERVENTION LOGIC	IDENTIFIED RISKS	PROBABILITY	RESPONSE/RISK MITIGATION
COMPONENT 1	Activities that maintain the forest standing and that are economically attractive in the Amazon Biome	Deterioration in the economic situation delays the development of a sustainable forest-based economy		In 2014, there was a slowdown in economic activity in Brazil and the Amazon, but there was no deterioration in the overall situation. Regardless of this, structuring production sectors based on the forest and receiving support from the Amazon Fund strengthens the producers and prepares them for possible oscillations in the market. Production based on vegetable extraction is growing stronger, both in produced volume and in value.
COMPONENT 2	Governmental efforts ensure that man-made activities are adjusted to meet environmental legislation	New agricultural land reform policy is not aligned with the environmental policy		With the creation of the Green Settlements Programme* by the National Institute for Colonization and Agrarian Reform (INCRA) and the engagement between the Ministry of Agricultural Development and the Ministry of the Environment to implement the CAR, the agricultural land reform policy is now aligned with the main environmental policies to preserve, manage and make sustainable use of Amazon forests. The Amazon Fund has offered support to implement the CAR, including agrarian reform settlements. Because, in 2013, approximately a quarter of the deforestation registered in the Amazon has occurred in these territories, the Amazon Fund has reassessed this risk as “medium.”
		Migration of workforce employed in illegal forest activities to other illegal activities		Transforming illegal activities into legal work and inserting production into sustainable processes is still a challenge. The set of efforts receiving support from the Amazon Fund strengthens the presence of the government in the region and fosters the development of a sustainable forest-based economy, generating jobs and income to replace income lost because illegal forest activities have been controlled.

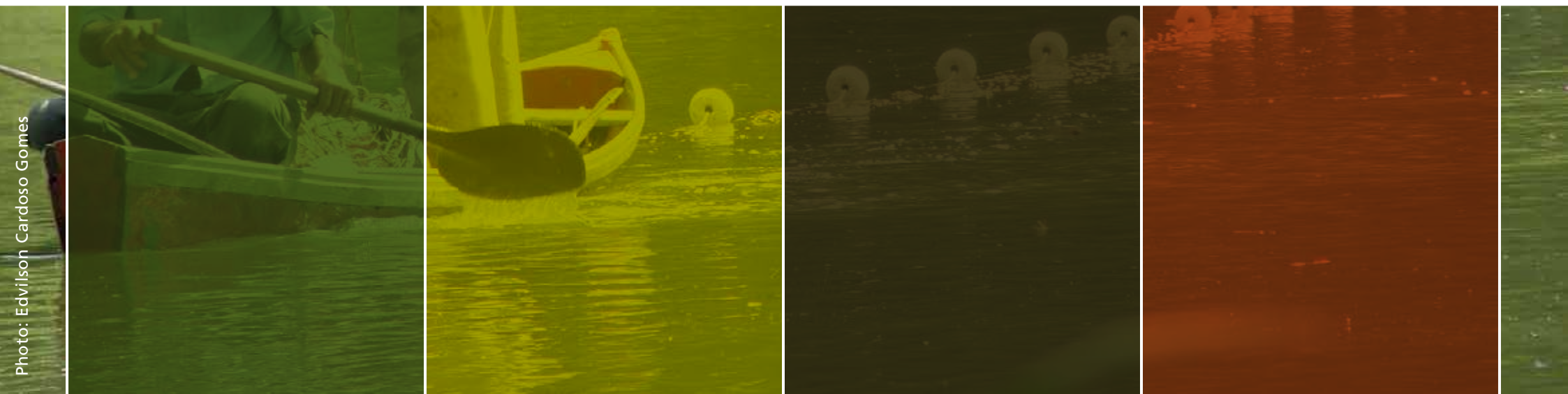


INTERVENTION LOGIC		IDENTIFIED RISKS	PROBABILITY	RESPONSE/RISK MITIGATION
COMPONENT 3	Area of the Amazon Biome has undergone land-use planning	Growth in the demand for illegal timber		<p>For a sustainable timber economy in the Amazon, it will be necessary to increase the allocation of public land and forest concessions in these areas; to improve inspection in the timber industry and issued management plans; and to better integrate control tools with industry licensing and the tax system.</p> <p>The Amazon Fund continues to support projects aimed at strengthening sustainable forest management, highlighting the support for technical training efforts, raising the awareness of key agents, as well as applied research.</p>
		Growth in the demand for new farmland and pastures		<p>Increasing cattle-raising and farming, driven by the demand for meat and soybeans in the global market, could result in the converting the forest into new areas for cultivation and grazing.</p> <p>Mitigating this risk depends on not only controlling illegal deforestation, but also fostering sustainable forest activities, and increasing the productivity of agricultural and cattle activities in areas affected by humans.</p> <p>The Amazon Fund prioritizes efforts to both monitor and control deforestation, as well as supporting sustainable forest-based production activities and the improvement of the productivity of agriculture and cattle-raising.</p>
COMPONENT 4	Science, technology and innovation activities contribute to the recovery, conservation and sustainable use of the Amazon Biome	Flight of qualified technical staff and researchers from the region		<p>The region lacks infrastructure to develop scientific and technological activities. There are also great differences between regions, as the states of Amazonas and Pará offer the largest number of courses in higher education and employ the largest number of technical-scientific personnel, when compared to other states in the region.</p> <p>The Amazon Fund has helped place researchers in the region by supporting research and technology development projects at universities in the region.</p>

\* Green Settlement Programme (Programme to Prevent and Fight and Alternatives to Illegal Deforestation in Amazon Settlements – PPCADI – Amazon).



# SUPPORTED PROJECTS





# PROJECTS COMPLETED IN 2014



# GESTÃO SOCIOAMBIENTAL DE MUNICÍPIOS DO PARÁ

SOCIO-ENVIRONMENTAL  
MANAGEMENT IN  
MUNICIPALITIES IN PARÁ

**IMAZON**

<b>Project management</b>	Amazon Institute of People and the Environment (IMAZON) <www.imazon.org.br>
<b>Territorial scope</b>	Some 11 municipalities in the state of Pará
<b>Beneficiaries</b>	The local population in the 11 municipalities covered by the project
<b>Objectives</b>	(i) To mobilize state and municipal governments, rural producers, trade unions and associations to speed up enrollment on the Rural Environment Registration; (ii) to monitor deforestation using satellite images; to help plan landscaping; and (iii) to restore degraded areas in the Uraim River Basin in Paragominas
<b>Total cost of the project</b>	R\$ 9,736,473.00 (US\$ 5,173,746.21)
<b>Amazon Fund support</b>	R\$ 9,736,473.00 (US\$ 5,173,746.21)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.1.2009
<b>Date awarded</b>	7.29.2010
<b>Total amount disbursed</b>	R\$ 9,736,473.00 (US\$ 5,119,512.18)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## CONTEXTUALIZATION

Brazil's state of Pará has one of the highest deforestation rates, according to 2014 data from the National Institute for Space Research (INPE). Pará has the fifth largest cattle herd in the country, with about 17 million head of cattle. The agricultural products highlighted are rice, beans, corn and soybean, in accordance with the 2009 Census conducted by the Brazilian Institute of Geography and Statistics (IBGE).

Municipalities included in this project belong mainly to the Southeastern Pará meso-region, namely: Abel Figueiredo, Bom Jesus do Tocantins, Moju, Dom Eliseu, Goianésia do Pará, Itupiranga, Jacundá, Paragominas, Rondon do Pará, Tailândia and Ulianópolis.

It is important to mention that, at the beginning of the project, the Ministry of the Environment listed six of the 11 municipalities as municipalities needing priority efforts to control and monitor deforestation in the Amazon (the municipality of Paragominas was removed from the list before the beginning of the project).

## THE PROJECT

The main aim of the project Socio-Environmental Management in Municipalities of Pará State was to help reduce deforestation and the degradation of the forest in the 11 municipalities the project covers by mobilizing local players – the state and municipal governments, rural producers, associations, unions etc. – and to collect environmental and land data on rural properties. The project also sought to help land regularization, encouraging agricultural producers to adhere to the Rural Environmental Registration (CAR) in a more timely fashion.

During the project, the Deforestation Alert System (SAD), developed by IMAZON, was used to monitor deforestation in these municipalities and to guide the supporting efforts to oversee and reduce deforestation.

The project also included mapping the permanent preservation areas (APP) in the 11 municipalities and a diagnosis to implement reforestation in the APPs in the basin of Uraim River, in Paragominas.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.



## ACTIVITIES PERFORMED

The main activities carried out within the scope of the project can be summarized into nine topics, namely:

### 1. Local pacts to reduce deforestation in municipalities

Support to prepare to formalize ten municipal pacts to reduce deforestation by coordinating with key players, collecting information and revising agreements. The main commitments included in the documents are, among others: (i) to maintain annual municipal deforestation below 40 km<sup>2</sup>; (ii) to implement the CAR in at least 80% of the registable area within the municipality; and (iii) to check deforestation in the field when receiving an alert. IMAZON established a routine to transmit information to municipalities concerning how deforestation and the CAR have evolved so as to help fulfil the pacts signed. Before the project began, the municipality of Paragominas had already signed the pact.

### 2. Environmental monitoring and inspection on a municipal scale

Forwarding 229 monthly bulletins on deforestation alerts to local and regional authorities responsible for environmental management in the 11 municipalities of the project, aiming to improve the monitoring processes, environmental control and responsibility in these municipalities.

Throughout the project, it was noted that municipalities, when receiving deforestation alerts, raised insufficient information to issue a notice of violation through the Pará State Environmental Department (SEMA-PA). To overcome this problem, the SEMA-PA elaborated a specific report model for this purpose, and the IMAZON organized training to prepare the reports for some municipalities.

### 3. Local training sessions on geo-processing and remote sensing

Sixty-two technicians and 12 representatives from local associations in geo-technology applied to environmental management received training. The training addresses, among others subjects: (i) collaboratively monitoring deforestation; (ii) geo-technology applied to the CAR; and (iii) environmental legislation and inspection.

### 4. Preparing the digital mapping base

Mapping bases in the scale of 1:50,000 were prepared in 10 municipalities the project covers, together with technical guidelines concerning how the instrument is to be applied to the operational routines in the municipal environmental departments. The municipality of Paragominas already had a mapping base.

### 5. Participatory land mapping

A method was developed, validated and applied to implement participatory land mapping in the municipalities of Tailândia, Paragominas and Moju. This methodology is being disclosed in different forums that bring together experts on the subject of land regularization, such as: the Technical Assistance and Rural Extension Company (EMATER), the National Institute for Colonization and Agrarian Reform (INCRA) etc. The methodology has the perspectives of growing and to be used in several other cities.

### 6. Assessing the signature and fulfilment of terms for conduct change (TACs) for environmental regularization of rural properties

A study was conducted to assess the situation of 42 TACs aimed at restoring environmental damage in rural properties in Para State, by checking content, rules and procedures for signing and monitoring it.

As result of the study, SEMA-PA published the Normative Instruction Nº. 14/2011, via which it assigned a responsible sector to effectively monitor the terms. Additionally, the IMAZON assisted the SEMA-PA and the Federal Public Prosecutor (MPF) in developing a method to audit TAC implementation for livestock in the state of Pará.

#### 7. Evaluating and monitoring efforts for land regularization promoted by the federal and state governments

The efforts in the Legal Land Programme, in the federal sphere, and those made by the Institute of Pará Land (ITERPA), in the state sphere, were monitored. In addition, the pending land issues in the state of Pará were mapped. These efforts helped prepare a legal framework that prioritizes efforts towards land regularization in municipalities that reach the goals of the Green Municipalities Programme (State Decree Nº. 739/2013).

#### 8. Landscape planning and forest restoration

Initially, this effort envisaged landscape planning activities only in the Basin of the Uraim River, in the municipality of Paragominas, having been expanded to the 11 municipalities of the project.

APPs mapping was conducted in 11 municipalities, covering 445,000 hectares of APPs, some 54% of which is deforested. For each municipality, a map showing the situation of APPs soil coverage was prepared.

Additionally, a diagnosis was conducted for forest restoration of the APPs in the Basin of Uraim River, including 60 small rural properties (2,000 hectares), and four of which had already initiated the recovery process.

#### 9. Assessing the potential for businesses with carbon sequesters in the municipality of Paragominas

Initially, this effort established activities in the Basin of Uraim River, but it was extended to the whole municipality of Paragominas. Within this context, the following analyses were carried out: (i) potential for businesses with carbon sequesters and other environmental services in Paragominas; and (ii) risk for potential deforestation in Paragominas and estimated fall in carbon dioxide emissions in the municipality in a scenario in which deforestation rates fall in comparison with the historical annual rate.

The Paragominas Agency of Environmental Services (ASA) was created to co-ordinate the projects in which payment is to be made for environmental services in the municipality. In partnership with the Green Stock Exchange (BVRio), a booklet was prepared on environmental reserve quotas (mechanism established in the new Forest Code), which is being distributed by the Rural Producers Union of Paragominas.

## INSTITUTIONAL AND ADMINISTRATIVE ASPECTS

IMAZON signed partnerships with several institutions to implement the project. The formal partnerships were established with the following institutions: (i) city councils in the 11 municipalities the project covers; (ii) Green Municipalities Programme Department (PMV) in the state of Pará; (iii) Pará Institute of Economic and Social Development (IDESP); and (iv) EMATER.

Informal partnerships were also set up with the following institutions: (i) IBGE; (ii) National Mapping Commission (CONCAR);

(iii) Association of Rural Producers in the Uraim Colony; (iv) Pará State Public Prosecutor; (v) Paragominas Rural Producers Union; (vi) MPF; (vii) SEMA-PA; (viii) Wisconsin University; (ix) BV Rio; (x) Paragominas Rural Producers Union; and (xi) the British Embassy.

Every partnership played an essential role, contributing to the success of the project.

## RESULTS AND IMPACTS INDICATORS

Main indicators for the project:

- Number of individuals trained in geo-technology applied to municipal environmental management

The project included 62 municipal technicians and 12 representatives from local associations. Forty-three (69%) of the total municipal technicians trained continued to work in the same institutions at the end of the project, in order to assure the continuity of efforts they were trained for.

- Number of local municipal pacts to reduce deforestation

The aim established for the project was to sign six pacts, considering that, at the beginning of the project, the municipality of Paragominas had already signed a pact. With the project, local pacts have been signed on the other ten municipalities.

- Area included in the digital mapping in the 1:50.000 scale in the territory

Mapping was carried out in the whole area the project covers, which corresponds to 7,180,000 hectares, including an update of map for the municipality of Paragominas according to the new Forest Code.

- Number of priority area maps for forest restoration

Maps of priority areas for forest restoration in the 11 municipalities included in the project were produced.

- Number of reports on governmental efforts towards land regularization in the state of Pará

Four reports were produced summarizing the following subjects:

(i) performance of the Legal Land Programme in the Legal Amazon; (ii) pending land issues in the state of Pará; (iii) assessment of ITERPA information transparency; and (iv) efforts towards land regularization in the state of Pará in 2012 and 2013.

- Annual deforestation rate in municipalities where the project activities were developed

Table 1 shows a substantial fall in deforestation in the 11 municipalities as a whole as of 2010 (baseline for the project). Except for the municipality of Itupiranga, all other municipalities recorded a decline in deforestation and presented annual deforestation rates below the 40 km<sup>2</sup> ceiling established by the Ministry of Environment as one of the two conditions to be removed from the list of priority municipalities for efforts towards controlling and monitoring deforestation.

- Number of women working in coordination positions in the IMAZON: nine women (50%) of a total of 18 positions.

## SUSTAINABILITY OF RESULTS

In addition to the 44% fall in the deforestation rate in the group of municipalities, the project Social and Environmental Management of Pará Municipalities helped remove the municipalities of Dom Eliseu,

Ulianópolis and Tailândia from the list of priority municipalities for efforts towards controlling and monitoring deforestation.

Being included on this list, in addition to giving the municipalities a negative image, implied a number of constraints for rural producers, including those of a credit nature.

Three other municipalities still on the list have already complied with at least one of the two requirements for exclusion: Moju and Rondon do Pará both present an annual deforestation rate below 40%, and 80% of the city of Itupiranga is already enrolled in the CAR.

The sustainability of these results depends on a number of factors, to which the project has made an important contribution, especially: continuously fulfilling local pacts to reduce deforestation in the municipalities, implementing procedures to establish accountability for environmental offenders, and permanently mobilizing all those interested in combating deforestation.

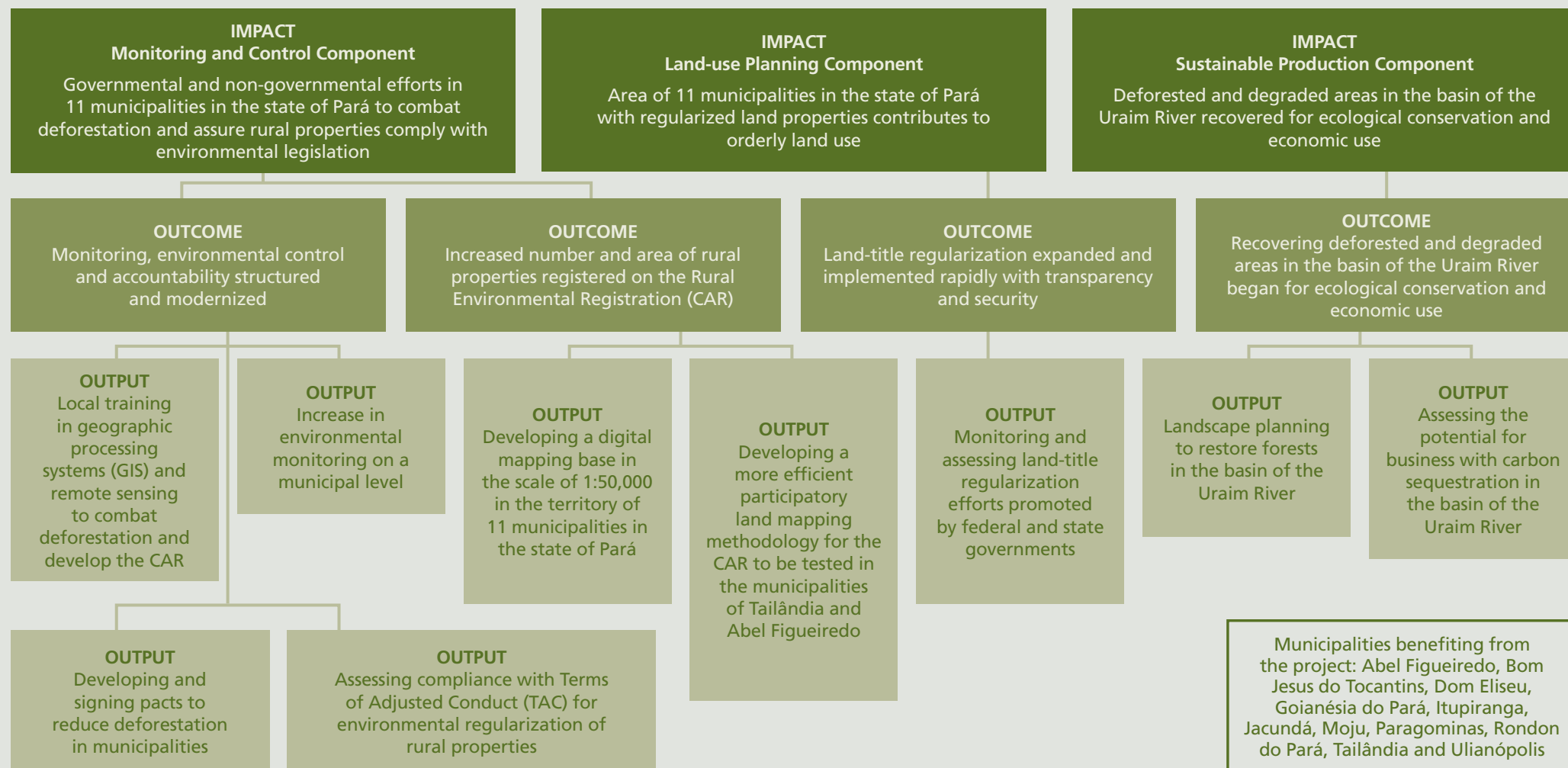
Table 1: Deforestation rate in the 11 municipalities in the project

Municipality	Annual deforestation 2010	Annual deforestation 2013	% Variation
Abel Figueiredo	1.9	0.4	(79)
Goianésia do Pará	49.9	38.2	(23)
Jacundá	6.8	1.8	(74)
Moju	115.9	35.4	(69)
Rondon do Pará	53.3	28.8	(46)
Bom Jesus do Tocantins	7.4	5.9	(20)
Itupiranga	52.1	62.9	21
Dom Eliseu	37.3	10.2	(73)
Tailândia	49.7	33.2	(33)
Paragominas	68.3	30.8	(55)
Ulianópolis	19.3	11.1	(42)
<b>Subtotal</b>	<b>461.9</b>	<b>258.7</b>	<b>(44)</b>

Source: INPE.

## INTERVENTION LOGIC

The project is included in the components known as “Monitoring and Control”, “Land-use Planning” and “Sustainable Production” within the Logical Framework of the Amazon Fund. The figure below shows its flowchart of goals, that is, how the products and services of the project are linked with the specific and general aims.





# VIRADA VERDE

## GOING GREEN

### TNC Brazil

<b>Project management</b>	The Nature Conservancy do Brasil (TNC Brazil) <www.tnc.org.br>
<b>Territorial scope</b>	12 municipalities in the states of Mato Grosso and Pará
<b>Beneficiaries</b>	Municipal governments and rural producers, in general, in the municipalities covered by the project
<b>Objectives</b>	(i) To help mobilize local players in 12 municipalities in the states of Mato Grosso and Pará, aiming to increase enrollment on the Rural Environment Registration (CAR); and (ii) to monitor deforestation in the region using satellite images
<b>Total cost of the project</b>	R\$ 19,200,000.00 (US\$ 9,740,753.89)
<b>Amazon Fund support</b>	R\$ 16,000,000.00 (US\$ 8,117,294.91)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.1.2009
<b>Date awarded</b>	4.13.2010
<b>Total amount disbursed</b>	R\$ 16,000,000.00 (US\$ 8,385,539.31)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## CONTEXTUALIZATION

The project was implemented in municipalities in Mato Grosso and Pará, states that recurrently presented the two highest rates of deforestation in the Legal Amazon between 1988 and 2014, despite the downward trend in recent years, according to the National Institute for Space Research data (INPE). The municipalities included in the region the project covers were: Campos de Júlio, Cotriguaçu, Juruena, Nova Mutum, Nova Ubitatã, Sapezal and Tapurah, in the state of Mato Grosso; and Bannach, Cumaru do Norte, Ourilândia do Norte, São Félix do Xingu and Tucumã, in the state of Pará. Mostly, these municipalities are home to economic activities linked to logging, or to livestock and/or soy production, suffering intense deforestation.

## THE PROJECT

The project fosters activities such as raising awareness, mobilization and integrating players – including state and local governments, associations, trade unions and rural producers. This is to stimulate the implementation of an economic development model based on environmental compliance and socio-environmental sustainability in the territory by fostering the CAR and encouraging environmental regularization for rural properties in seven municipalities within the state of Mato Grosso and five within the state of Pará.

It also encouraged rural producers to adhere to the CAR, geo-referencing approximately 10 million hectares.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## ACTIVITIES PERFORMED

The main activities were implemented within the scope of the project, as follows:

### 1. Creating a favorable environment to implement the CAR and an economic development model based on environmental compliance and social and environmental sustainability in the agricultural and cattle-raising sector

The project team raised awareness and carried out mobilization efforts in relation to the CAR with state and municipal government teams, as well as rural producers in the region concerned. They held meetings, seminars, radio campaigns, events in rural communities, while taking part in agricultural fairs to disseminate the topic and answer questions. Furthermore, in the 12 municipalities in the project, rooms were set up to attend rural agricultural producers, where they could solve doubts concerning environmental regularization for their properties and adhere to the CAR.

### 2. Putting together technical instruments to foster greater adhesion of rural producers to the CAR

Some 9,985,162 hectares of rural property were geo-referenced in the municipalities in the project (almost reaching the goal of 10 million hectares) and, in the scale of 1:25,000, the digital mapping bases were put together and the use land in 12 municipalities was mapped out. These bases are available for municipalities and state environmental agencies in Pará and Mato Grosso.

### 3. Preparing documents and maps to assist the environmental regularization of rural properties

Individualized maps for 16,892 rural properties were put together, identifying the areas for legal reserve and permanent preservation, as well as diagnosing the situation of these aspects for each rural property vis-à-vis the requirements in the new Forest Code (Act N°. 12,727/2012).

Based on these analyses of individual properties, it was possible to provide information for compensation and recovery plans, for both properties and entire municipalities. Also, maps were developed, showing priority areas for restoring legal reserves, in accordance with parameters, such as: existence of forest fragments, respective sizes, forms and distribution, in addition to existence (or not) of permanent preservation areas. Also based on these analyses, recommendations were developed for each of the registered or mapped properties.

To assist in forest restoration, a survey of the recommended native species for this purpose was carried out. In the state of Pará, a guide to restoration was published, and, in the state of Mato Grosso, a manual for restoring permanent preservation areas was put together.

In the state of Pará, based on the new Forest Code, some 18 Projects to Recover Degraded or Modified Areas (Prada) were prepared, totaling approximately 47,300 hectares.

#### 4. Developing a system to monitor environmental adjustments to rural properties

For municipalities in the state of Pará, annual deforestation alerts and diagnosis were prepared and sent to municipal environment departments, helping municipalities in following up on and monitoring the information concerning deforestation in their territories. In the case of the municipalities in Mato Grosso, two scenarios were generated: one in 2008 and another in 2011 (year of the images acquired within the scope of the project), allowing a comparison between deforestation on properties in 2011 and that carried out prior to July 22, 2008 (date-base for sanctions related to new deforestations, as established in the new Forest Code).

Municipal environmental portals were created on the Internet so that the municipalities could monitor deforestation and forest restoration on their territories. Professionals from technical teams that work in the municipalities received training on how to use this instrument in their daily activities. In the state of Mato Grosso, the portals are working properly, however, in Pará state, only the portal for the municipality of São Felix do Xingu is operational due to difficulties in supplying high-speed internet services in other municipalities.

## INSTITUTIONAL AND ADMINISTRATIVE ASPECTS

To carry out said activities, Terms for Technical Cooperation were signed with: (i) Mato Grosso and Pará state environmental agencies; (ii) city councils for the municipalities the project covers; (iii) representative entities for rural producers in the 12 municipalities the project covers; (iv) Pará Land

Institute (ITERPA); and (v) Regional Superintendence for the South of Pará of the National Institute of Colonization and Agrarian Reform (INCRA-SR27).

## RESULT AND IMPACT INDICATORS

Main indicators for the project:

### 1. Number and area of rural property registered in the CAR

Some 11,700 properties adhered to the CAR, totaling 6,980,565 hectares, as demonstrated in tables 1 and 2:

Table 1: Rural properties registered in the CAR in municipalities in the state of Pará

Municipality	Total area (ha)	Registable area (ha)	CAR – December/2013		
			Nº. of properties	Registered area (ha)	% of registable area registered
Bannach	297,210	280,124	492	233,767	83.5
Cumaru do Norte	1,706,454	1,297,780	842	1,134,145	87.4
Ourilândia do Norte	1,425,616	207,901	699	180,782	87
São Félix do Xingu	8,420,142	3,331,517	6,268	2,766,976	83.1
Tucumã	251,246	249,109	1,146	248,501	99.8
<b>Total</b>	<b>12,100,867</b>	<b>5,366,431</b>	<b>9,447</b>	<b>4,564,172</b>	<b>85.1</b>

Source: BNDES.

Table 2: Rural properties registered in the CAR in municipalities in the state of Mato Grosso

Municipality	Total area (ha)	Registable area (ha)	CAR – December/2013		
			Nº. of properties	Registered area (ha)	% of the registable area
Cotriguaçu	914,948.23	607,681.79	188	166,645.89	27.42
Juruena	322,609.72	318,844.35	118	132,553.50	41.57
Sapezal	1,358,793.85	876,395.73	216	446,248.31	50.92
Campos de Júlio	679,578.64	658,242.12	218	296,493.21	45.04
Nova Mutum	954,443.37	952,428.82	568	534,088.31	56.08
Tapurah	447,125.53	445,175.92	229	221,875.80	49.84
Nova Ubiratã	1,248,930.15	1,113,960.33	716	618,488.80	55.52
<b>Total</b>	<b>5,926,429.49</b>	<b>4,972,729.07</b>	<b>2,253</b>	<b>2,416,393.87</b>	<b>46.63</b>

Source: BNDES.

## 2. Number and area of geo-referenced rural properties

Some 16,892 rural properties in the 12 municipalities were geo-referenced, covering an area of 9,985,162 hectares (97% of the total registable area), preparing 16,892 individualized maps that identify the legal reserves and permanent preservation areas of these properties.

## 3. Number of municipal mapping bases prepared

Mapping bases for the 12 municipalities in the project were prepared and made available.

## 4. Number of maps prepared with priority areas for restoring legal reserves

Maps with priority areas for restoring legal reserves in the 12 municipalities in the project were prepared and made available.

## 5. Number of maps prepared indicating the areas with legal reserve deficits and surplus

Maps were prepared and provided to guide the compensation policies for legal reserves, showing the legal reserves areas with deficits and surplus in the 12 municipalities the project covers.

## 6. Area deforested in the 12 municipalities the project covers

Table 3 presents the deforestation rate in the 12 municipalities throughout the implementation of the project. Despite the increasing deforestation rate in six of the 12 municipalities (18.7 km<sup>2</sup> of total additional deforestation), in the aggregate for the 12 municipalities, a 244.2 km<sup>2</sup> fall was noted in the annual deforested area, representing a 41% drop in the deforestation rate.

Table 3: Annual deforestation rate in municipalities in the states of Mato Grosso and Pará

State of Mato Grosso			
Municipality	Annual deforestation 2009 (km <sup>2</sup> )	Annual deforestation 2013 (km <sup>2</sup> )	% Variation
Campos de Júlio	0	0.5	0
Cotriguaçu	36.2	42.6	18
Juruena	16.0	12.3	(23)
Nova Mutum	4.4	6.4	45
Nova Ubiratã	30.5	9.7	(68)
Sapezal	0.2	1.4	600
Tapurah	7.4	16.2	119
<b>Subtotal (A)</b>	<b>94.7</b>	<b>89.1</b>	<b>(6)</b>



State of Pará			
Municipality	Annual deforestation 2009 (km²)	Annual deforestation 2013 (km²)	% Variation
Bannach	15.6	4.6	(71)
Cumaru do Norte	37.4	37.7	1
Ourilândia do Norte	7.6	4.6	(39)
São Félix do Xingu	444.4	220.4	(50)
Tucumã	2.6	1.7	(35)
<b>Subtotal (B)</b>	<b>507.6</b>	<b>269.0</b>	<b>(47)</b>
<b>Total (A+B)</b>	<b>602.3</b>	<b>358.1</b>	<b>(41)</b>

Source: INPE/PRODES.

#### 7. Number of women working in coordination positions in the TNC Brazil: 19 women (38%) of a total of 50 positions

## SUSTAINABILITY OF RESULTS

The Going Green project contributed not only to a significant fall in the deforestation rate in the group of municipalities (41%), but also to the preparation of instruments that benefited municipalities could use to monitor and formulate public policies for their territories. It also helped train technical teams in municipal environment departments to work with geo-technology and provided support for producers to environmentally regularize their properties.

Implementing the CAR advanced significantly in these municipalities, even if taking into account the fact that the activities developed had started before

the approval of the New Forest Code (Act N°. 12,651/2012), which institutes the CAR as a national instrument, mandatory for all owners and temporary owners (bailments) of rural properties in Brazil.

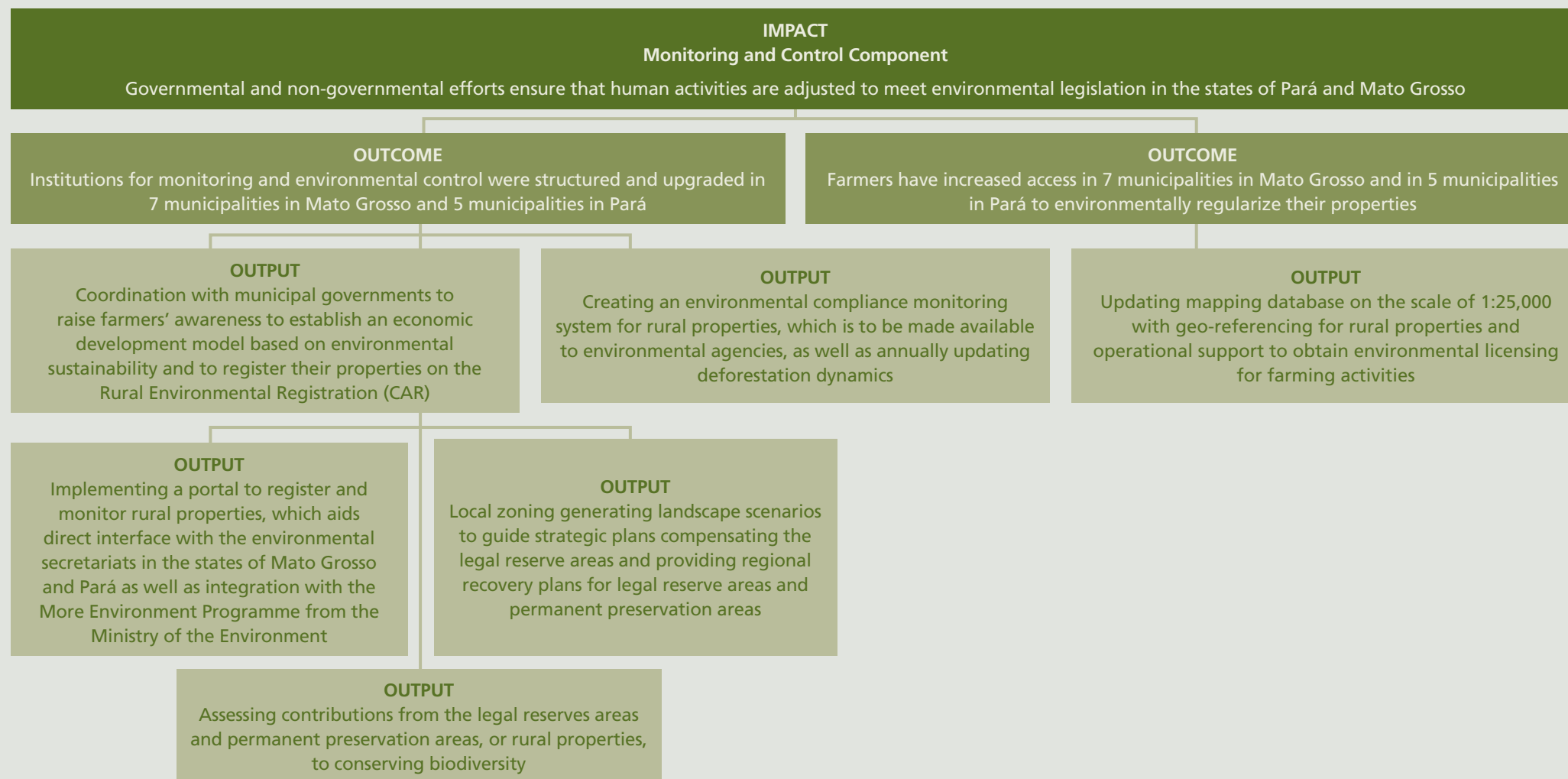
The sustainability of these results depends on continued mobilization of local players so they can complete environmental regularization for rural properties, with effective reforestation of areas where vegetation deficits were found, including creating ecological corridors through landscape planning with the remaining and reforested areas.

For this, highlights include the importance of constructing a favourable environment for these policies, much like that developed over the years this project was implemented via initiatives that, together, contributed to its success and to creating federal legislation for the CAR. In this sense, the following efforts connected with the project are highlighted: the federal list of priority municipalities to monitor and control deforestation in the Amazon, with associated economic sanctions; the release of the Green Municipalities Programme (PMV) in the state of Pará; and signing the Terms for the Change of Livestock Conduct, an initiative led by the Federal Prosecutor's Office (in 2009 in Pará and in 2010 in Mato Grosso).

Finally, there are other types of incentives that could help maintain the results achieved, for example, state laws concerning the criteria for municipalities to distribute part of the Tax on Goods and Services (ICMS), incorporating parameters to establish the value they receive, such as the area of the territory covered by native vegetation and the percentage of its registable area effectively enrolled in the CAR.

## INTERVENTION LOGIC

The project is included in the component known as “Monitoring and Control” in the Logical Framework of the Amazon Fund. The figure below shows its flowchart of aims, that is, how the project’s products and services are linked to the specific and general aims.





PROJECTS COMPLETED UP TO  
**2013**





In addition to the projects completed in 2014, Chart 1 includes three other projects completed up to 2013 that were implemented with support from the Amazon Fund. Detailed information on these projects, as well as results and impacts, can be found in the 2013 Amazon Fund's Activities Report and on the website <[www.amazonfund.gov.br](http://www.amazonfund.gov.br)>.

**Chart 1: Projects completed up to 2013**

PROJECTS	AIMS	TERRITORIAL SCOPE	AMAZON FUND SUPPORT
<b>Sementes do Portal</b> <b>(Portal Seeds)</b> Project management: <b>Ouro Verde Institute</b>	To foster environmental recovery of 1,200 hectares of degraded areas and upgrade family farms in six municipalities in the Amazon Portal's Territory, by disseminating agro-forestry systems that combine the sustainable use of the forest and income generation.	Seven municipalities in the extreme north of the state of Mato Grosso: Apiacás, Alta Floresta, Carlinda, Nova Guarita, Nova Canaã do Norte, Terra Nova do Norte and Matupá	R\$ 5,397,778.87 (US\$ 3,119,742.73)
<b>Olhos d'Água da Amazônia</b> <b>(Amazon Olhos d'Água)</b> Project management: <b>Alta Floresta Municipality</b>	To help strengthen environmental management in the municipality and enable the registration of small rural properties in the Rural Environmental Registration, as well as fostering efforts to restore degraded permanent preservation areas close to the springs located on the small properties.	Alta Floresta municipality, state of Mato Grosso	R\$ 2,781,340.40 (US\$ 1,554,863.81)
<b>Preservar Porto dos Gaúchos</b> <b>(Preserving Porto dos Gaúchos)</b> Project management: <b>Porto dos Gaúchos municipality</b>	To strengthen municipal environmental management, by physically and operationally structuring the Municipal Environmental and Tourism Department.	Porto dos Gaúchos municipality, state of Mato Grosso	R\$ 120,655.00 (US\$ 72,456.76)

Fonte: BNDES.



# PROJECTS APPROVED IN 2014





# FORTALECIMENTO DA GESTÃO TERRITORIAL E AMBIENTAL DE TERRAS INDÍGENAS NA AMAZÔNIA

STRENGTHENING THE TERRITORIAL  
AND ENVIRONMENTAL  
MANAGEMENT OF INDIGENOUS  
LAND IN THE AMAZON

**TNC Brazil**

<b>Project management</b>	Environmental Conservation Institute – The Nature Conservancy of Brazil (TNC Brazil) <www.tnc.org.br>
<b>Territorial scope</b>	Six indigenous lands (TI) partially located in three municipalities in the state of Amapá and five municipalities in the state of Pará
<b>Beneficiaries</b>	Approximately 8,800 indigenous people and 60 technicians at public institutions
<b>Objective</b>	To foster sustainable territorial and environmental management in six indigenous lands in the states of Amapá and Pará, helping reduce deforestation in these areas,
<b>Total cost of the project</b>	R\$ 16,492,406.00 (US\$ 7,047,735.57)
<b>Amazon Fund support</b>	<b>Up to R\$ 15,750,406.00 (US\$ 6,730,655.10)</b>
<b>Estimated completion date</b>	<b>48 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.16.2014
<b>Date awarded</b>	11.18.2014
<b>Total amount disbursed</b>	R\$ 1,280,188.79 (US\$ 477,112.69)
<b>Total amount disbursed in relation to Amazon Fund support</b>	8%

## CONTEXTUALIZATION

The initiative is part of the context to implement the National Policy for Territorial and Environmental Management of Indigenous Land (PNGATI) established by the Federal Government in June 2012, through Decree Nº. 7,747 / 2012, and which aims to support the integrated management of these territories and their natural resources. The PNGATI recognizes the role of indigenous people and their territories as an important element in facing deforestation, given that indigenous land (TI), compared to other protected areas, has proven to be quite effective as a barrier to advancing trends in deforestation and forest degradation.

Implementing the project depends on the development of Plans for Territorial and Environmental Management (PGTA), which are instruments considered important in implementing the PNGATI.

## THE PROJECT

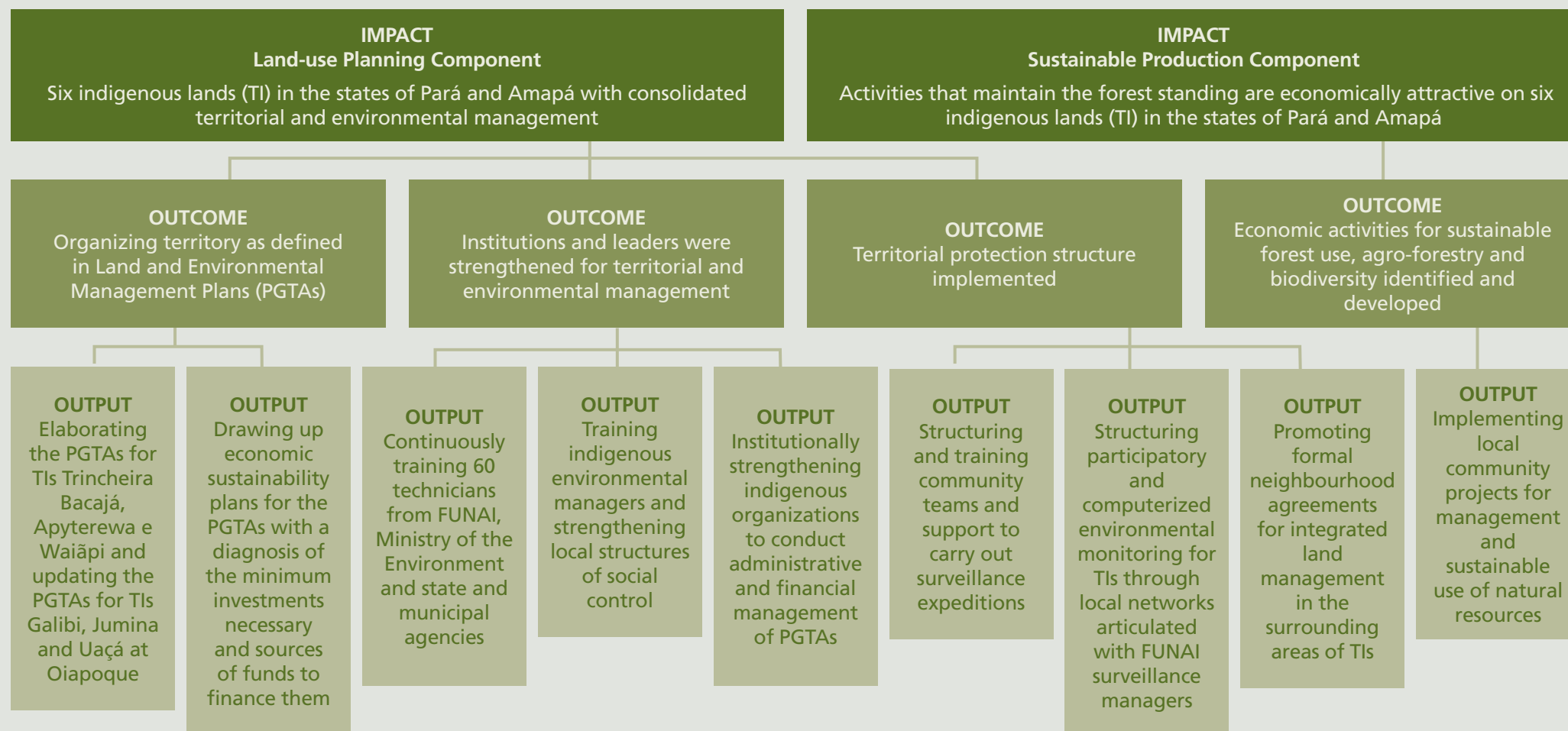
The project, to be carried out by The Nature Conservancy of Brazil (TNC Brazil), will include the TIs Galibi, Jumina, Uaçá, Waiãpi, Trincheira Bacajá and Apyterewa – located in the states of Amapá and Pará. It is structured into four components: (i) preparing and updating PGTAs as well as financial sustainability plans for six TI projects; (ii) implementing PGTAs on the six TIs, through local projects for sustainable use of natural resources and territorial control efforts; (iii) institutional and technical strengthening indigenous representations and those at related public institutions; and (iv) communication and coordination to disseminate information and experience obtained from developing and implementing PGTAs.



Source: Elaborated by GIZ,  
based on data from the  
BNDES, IBGE and FUNAI.

## INTERVENTION LOGIC

The project is included in the components known as “Land-use Planning” and “Sustainable Production” in the Logical Framework of the Amazon Fund:



# FUNDAÇÃO BANCO DO BRASIL (FASE 2) – FUNDO AMAZÔNIA

BANCO DO BRASIL FOUNDATION  
(PHASE 2) – AMAZON FUND

**FBB**

<b>Project management</b>	Banco do Brasil Foundation (FBB) <www.fbb.org.br>
<b>Territorial scope</b>	Amazon Biome
<b>Beneficiaries</b>	Traditional communities in the Amazon (indigenous people, remaining villages of former slave communities (quilombos), rubber tappers and riverside populations living on fishing and subsistence farming etc.), family farmers, rural workers integrated into settlement projects and low-income populations or those at risk of social exclusion in the Amazon Biome region
<b>Objective</b>	To provide support for projects that make it possible to develop production activities in accordance with fostering conservation and the sustainable use of the Amazon Biome
<b>Total cost of the project</b>	R\$ 20,000,000.00 (US\$ 8,299,443.94)
<b>Amazon Fund support</b>	R\$ 12,000,000.00 (US\$ 4,979,666.36)
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)

## Progress of the project

<b>Date approved</b>	10.7.2014
<b>Date awarded</b>	12.5.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

The Banco do Brasil Foundation (FBB) initiated its operations in February 1988 with the proposal to finance projects in several fields, such as foodstuffs, health, education, employment and housing. It operates throughout the country by developing, implementing, monitoring and assessing programmes and projects in partnership with other governmental and non-governmental institutions.

It is the second operation falling under the Technical and Financial Cooperation Agreement 12.2.0435.1, between the BNDES and FBB, to support subprojects that help develop production activities in accordance with promoting conservation and the sustainable use of the Amazon Biome.

## THE PROJECT

With the project, subprojects earmarked to structure sustainable production projects using socio-biodiversity were chosen and implemented; the reapplication of social technologies that focus on food safety; the generation of energy in a sustainable way; the recovery of degraded areas and land use through agro-forestry; among other aims adhering to the strategic guidelines of the Amazon Fund will be selected and implemented.

Thus, subprojects can be submitted to the FBB, aiming at supporting sustainable processes for production, marketing and the use of natural resources in the Amazon Biome, such as forest management activities, integrating forestry, agriculture and livestock, forest certification and other activities related to the sustainable use of biodiversity.

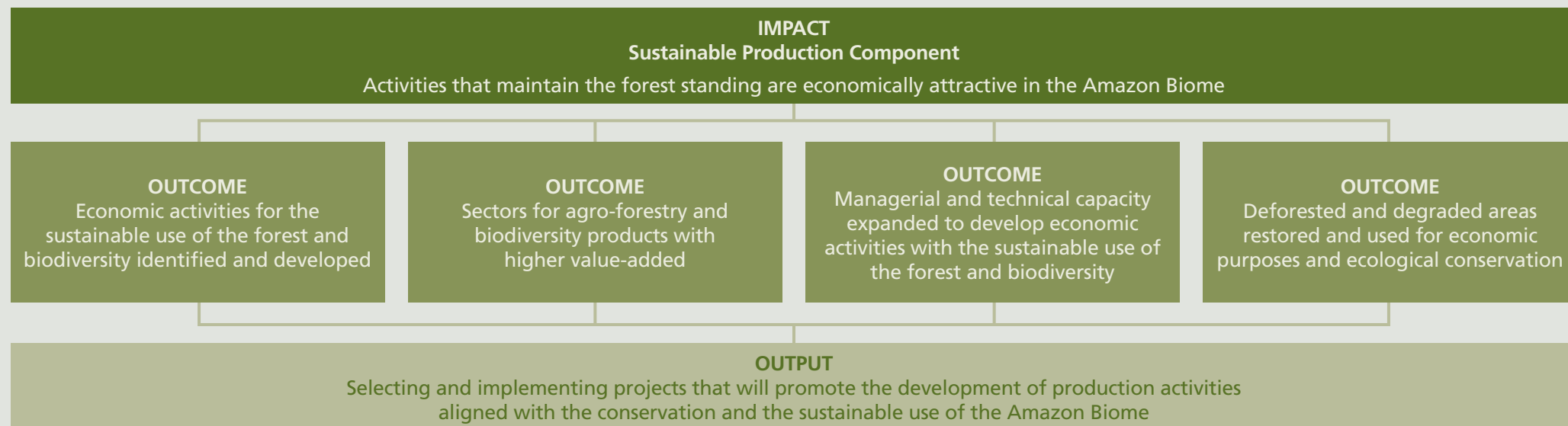


Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.



## INTERVENTION LOGIC

The project is included in the component known as “Sustainable Production” in the Logical Framework of the Amazon Fund:



# CAPACITAR PARA CONSERVAR

## TRAINING TO CONSERVE

### ECAM

<b>Project management</b>	Amazon Conservation Team (ECAM) <www.equipe.org.br>
<b>Territorial scope</b>	Protected areas in the state of Amapá
<b>Beneficiaries</b>	Managers involved in implementing public policies for protected areas (Master's course) and inhabitants of these units and of its surroundings (course of formation of environmental agents)
<b>Objective</b>	To train environmental agents and managers to strengthen the protected areas in the state of Amapá
<b>Total cost of the project</b>	R\$ 1,452,000.00 (US\$ 608,294.93)
<b>Amazon Fund support</b>	R\$ 1,452,000.00 (US\$ 608,294.93)
<b>Estimated completion date</b>	<b>42 months</b> (from the date contract was signed)

#### Progress of the project

<b>Date approved</b>	9.23.2014
<b>Date awarded</b>	12.2.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

The protected areas (PA) play a strategic role in reducing deforestation. However, due to the dimensions of the territories and the limited available resources for conservation, management represents a great challenge for the whole Amazon.

In experiences with PA consolidation projects, the Amazon Conservation Team (ECAM) identified one of the main shortcomings as the level of knowledge that environmental agents and PA managers have in areas such as: community relations; communications; tools for management planning; producing information; and monitoring and assessing efforts.

## THE PROJECT

The aim of the project is to train environmental agents and managers to strengthen the protected areas in the state of Amapá. For this, six courses for environmental agents will be conducted, aimed at a broad audience involved in managing protected areas, and two Master's courses, aimed at managers and other agents involved with specific topics so as to improve public policy implementation for PAs.

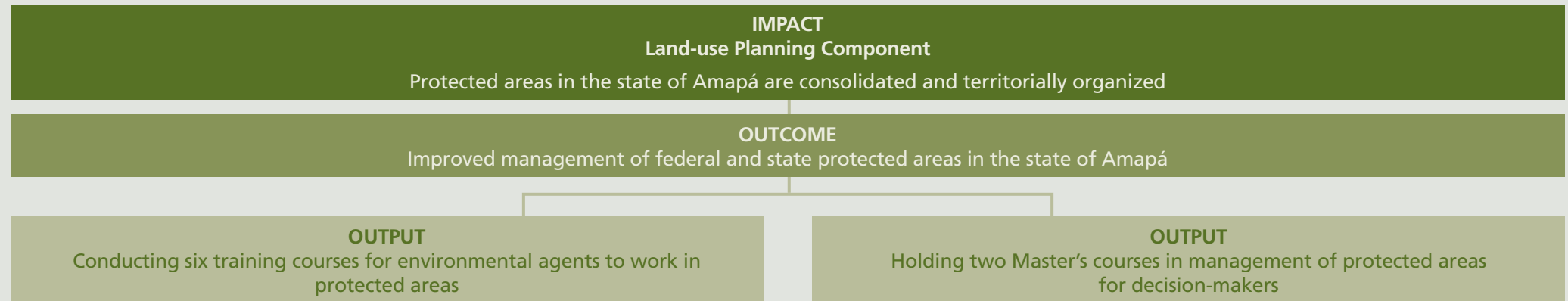
The ECAM will have a partnership with other institutions, such as: the Chico Mendes Institute of Biodiversity Conservation (ICMBio); the Federal University of Amapá (UNIFAP); the Pará State Environmental Department (SEMA-PA); and the Amapá State Forest Institute, for support to implement the courses, to define subjects to be given and to disclose information to the interested public.



Source: Elaborated by GIZ, based on data from the BNDES, IBGE and Ministry of the Environment.

## INTERVENTION LOGIC

The project is included in the component referred to as “Land-use Planning” within the Logical Framework of the Amazon Fund:



# PROTEÇÃO ETNOAMBIENTAL DE POVOS INDÍGENAS ISOLADOS E DE RECENTE CONTATO NA AMAZÔNIA

ETHNO-ENVIRONMENTAL  
PROTECTION OF ISOLATED  
INDIGENOUS PEOPLE AND THOSE  
RECENTLY CONTACTED IN  
THE AMAZON

CTI

<b>Project management</b>	Center for Indigenous Work (CTI) <www.trabalhoindigenista.org.br>
<b>Territorial scope</b>	Amazon Biome
<b>Beneficiaries</b>	Isolated indigenous people and those recently contacted, and also indigenous people inhabiting the territories surrounding isolated indigenous people and those recently contacted
<b>Objective</b>	To provide support to protect isolated indigenous people and those recently contacted to ensure the physical boundaries and natural resources in the areas where these people are in order to help reduce deforestation in the Amazon
<b>Total cost of the project</b>	Up to R\$ 19,043,330.00 (US\$ 7,514,829.72)
<b>Amazon Fund support</b>	Up to R\$ 19,043,330.00 (US\$ 7,514,829.72)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.28.2014
<b>Date awarded</b>	12.23.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%



## CONTEXTUALIZATION

Due to pressure on isolated indigenous people from groups involved in the predatory exploitation of the forest and to the implementation of large-scale infrastructure projects, there has been a permanent exodus, which jeopardizes the environmental sustainability of the forest.

Local teams called Ethno-environmental Protection Fronts (FPE), responsible for protecting isolated indigenous people, do not have enough human and financial resources to maintain the structure required to monitor such extensive indigenous areas.

## THE PROJECT

The aim of the project is to provide support to protect the isolated indigenous people and those recently contacted, as well as their territories in the Brazilian Amazon.

The following activities will be performed in close partnership with the National Indigenous Foundation (FUNAI), with whom the Indigenous Work Center (CTI) has a Cooperation Agreement, in effect until 2019:

- (i) research on 20 “references” of unconfirmed

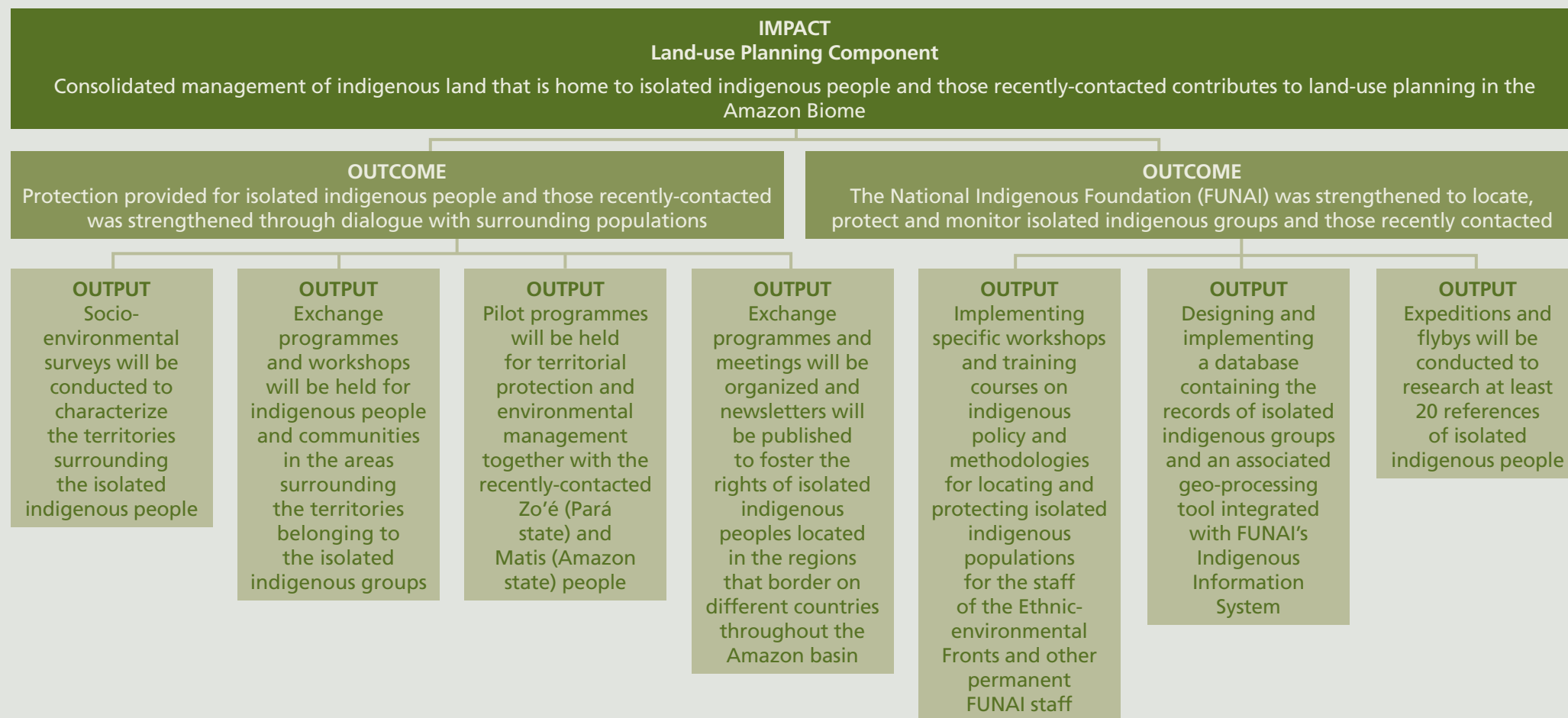
- never-before-contacted indigenous people (i.e., expeditions to collect more information on possible isolated groups identified in FUNAI “references”, aiming to confirm or discard existence);
- (ii) methodologically improving research on “references” using remote sensing tools;
- (iii) increased dialogue with indigenous people and populations in the surrounding areas of the territories where there are never-before-contacted indigenous people to prepare and implement land management strategies;
- (iv) increase the participation of civil society in the international agenda to protect and promote the rights of isolated indigenous people and those recently contacted in the countries within the Amazon Basin;
- and (v) training workers operating in FPEs in indigenous policy and protection methodologies for isolated indigenous people.



Source: Elaborated by GIZ, based on data from the BNDES, IBGE and FUNAI.

## INTERVENTION LOGIC

The project is included in the component referred to as “Land-use Planning” within the Logical Framework of the Amazon Fund:



# SENTINELAS DA FLORESTA

FOREST  
SENTINELS

**COOPAVAM**

<b>Project management</b>	Cooperative of the Farmers in the Vale do Amanhecer (COOPAVAM)
<b>Territorial scope</b>	Eight municipalities in the northwestern region of the state of Mato Grosso (Aripuanã, Brasnorte, Castanheira, Colniza, Cotriguaçu, Juara, Juína and Juruena)
<b>Beneficiaries</b>	The project includes four indigenous ethnic groups (Apiaká, Caiaby, Munduruku and Cinta Larga), COOPAVAM itself, formed by extractionists from the Vale do Amanhecer settlement, and the Association of Women Cantinho da Amazônia, originating from COOPAVAM
<b>Objective</b>	To strengthen the Brazil nut sector, ranging from collection to enhancement and marketing, increasing the income of extraction communities living off forest products in the region
<b>Total cost of the project</b>	R\$ 6,528,000.00 (US\$ 2,709,838.11)
<b>Amazon Fund support</b>	R\$ 5,288,817.00 (US\$ 2,195,441.02)
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	2.4.2014
<b>Date awarded</b>	4.17.2014
<b>Total amount disbursed</b>	R\$ 2,187,000.00 (US\$ 991,746.78)
<b>Total amount disbursed in relation to Amazon Fund support</b>	41%

## CONTEXTUALIZATION

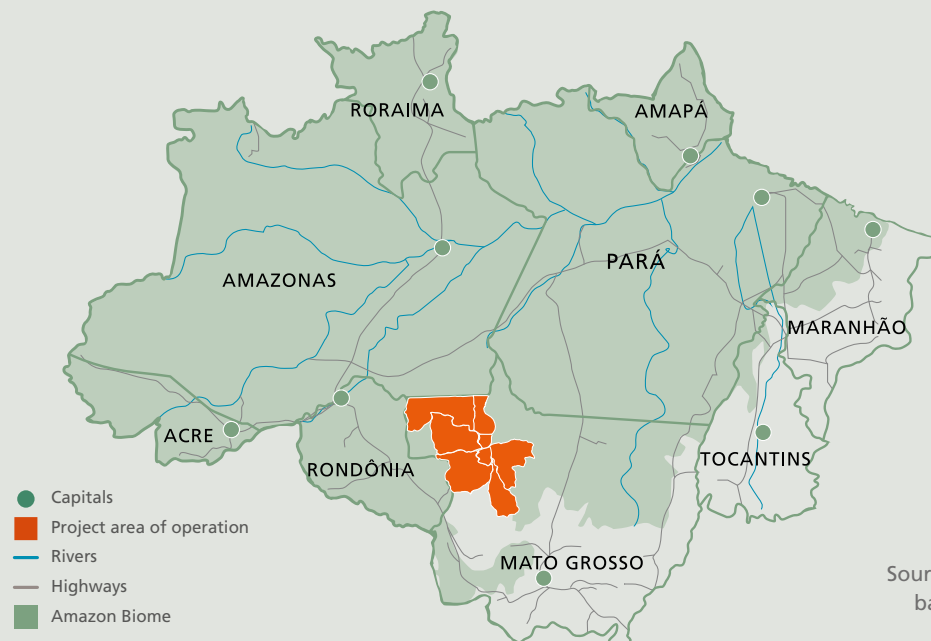
The region of the Amazon Biome, in the northwest of the state of Mato Grosso, involving the municipalities of Aripuanã, Juruena, Juara, Juína, Castanheira, Cotriguaçu and Brasnorte is considered quite vulnerable to deforestation and forest degradation. This is due to the expanding agriculture and cattle-raising activities. On the other hand, it is one of the last forest borders in the state, with a vast remaining area of Amazon forest on adjoining land stretching larger than four million hectares.

In this region, extraction of non-timber forest products is still precarious, competing unequally with the use of land for cattle pasture and agriculture. Involving indigenous associations and agrarian reform settlement communities in the extraction activity and in Brazil nut enhancement requires a better structuring for production.

## THE PROJECT

Selected in the Call-for-Submission for Sustainable Production Projects in the Amazon Fund, the Forest Sentinel project aims to strengthen Brazil nut production in the northwestern region of the state of Mato Grosso, in order to increase the income of the indigenous communities and extractionists, reducing the pressure on the forest.

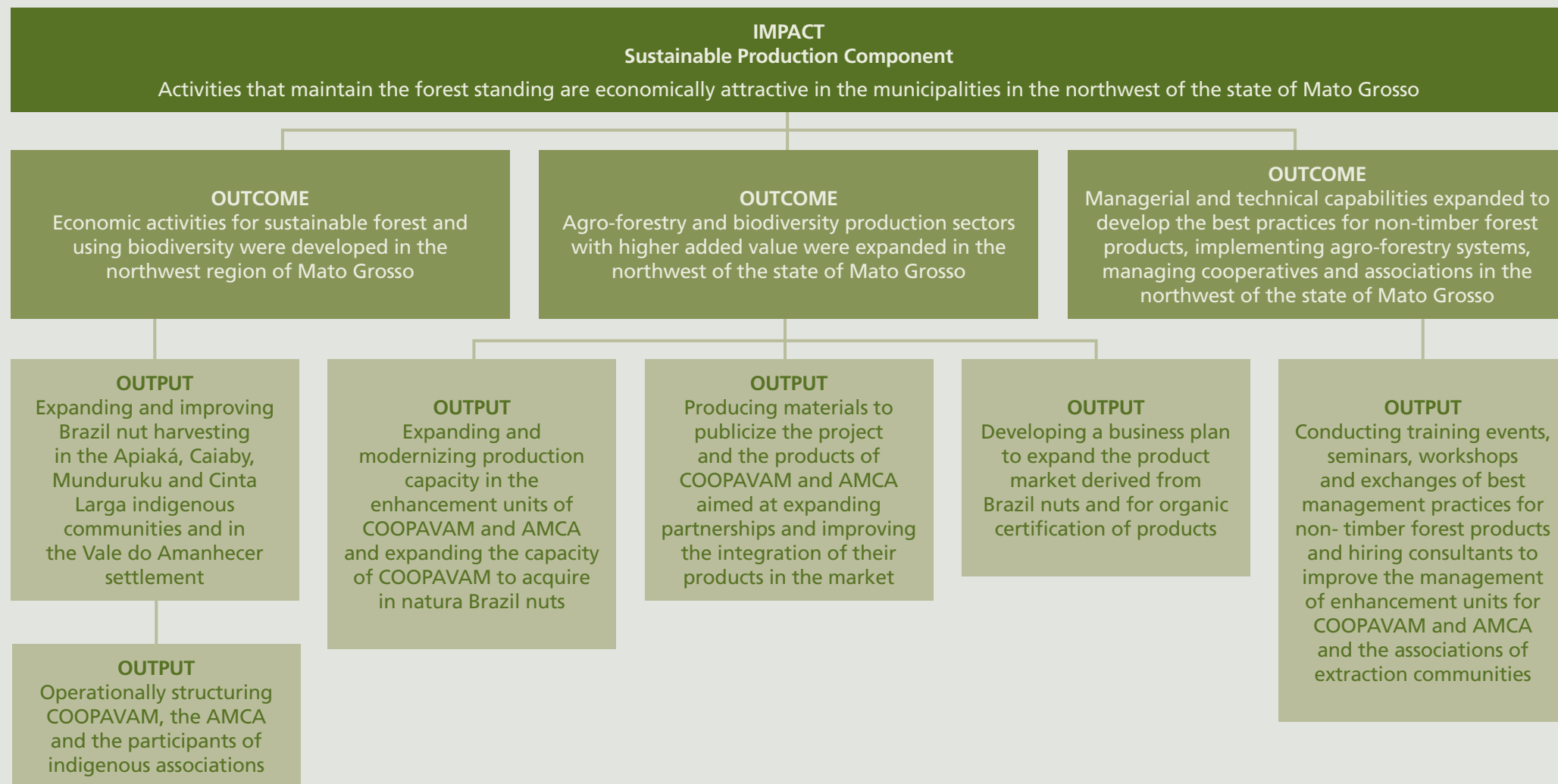
The following efforts will be carried out within the scope of the project: (i) expanding and improving the collection of Brazil nuts in indigenous communities; (ii) constructing shelters and drying tables for nuts in the communities; (iii) increasing the COOPAVAM's capacity to acquire in natura nuts; (iv) acquiring trucks, tractors and boats to collect and distribute nuts and their derivatives; (v) expanding and modernizing COOPAVAM and Women Cantinho da Amazônia (AMCA) processing plants; and (vi) technical and managerial training for indigenous people and extractionists involved in the project, encouraging integration and strengthening.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component known as “Sustainable Production” within the Logical Framework of the Amazon Fund:





# NÉCTAR DA AMAZÔNIA

AMAZON NECTAR

**Instituto Peabiru**

<b>Project management</b>	Peabiru Institute <www.peabiru.org.br>
<b>Territorial scope</b>	Traditional communities in the municipalities of Curuçá, Almeirim and Monte Alegre, in the state of Pará, and Macapá and Oiapoque, in the state of Amapá
<b>Beneficiaries</b>	30 rural communities – former slave communities (quilombos), indigenous people, riverside and extraction communities – comprising an estimated target audience of 310 producers
<b>Objective</b>	To strengthen the production sector for honey produced by native bees in traditional communities in the municipalities of Curuçá, Almeirim and Monte Alegre, in the state of Pará, and Macapá and Oiapoque, in the state of Amapá in order to provide a sustainable economic alternative to deforestation
<b>Total cost of the project</b>	R\$ 2,030,000.00 (US\$ 915,899.65)
<b>Amazon Fund support</b>	R\$ 2,030,000.00 (US\$ 915,899.65)
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)

## Progress of the project

<b>Date approved</b>	5.13.2014
<b>Date awarded</b>	8.27.2014
<b>Total amount disbursed</b>	R\$ 517,718.71 (US\$ 207,054.35)
<b>Total amount disbursed in relation to Amazon Fund support</b>	26%

## CONTEXTUALIZATION

The project focuses on keeping Meliponidae bees, a term used to denote the bee species with no stingers that are native to the Amazon. The extraction of honey produced by these bees is called Meliponiculture and it is part of local traditional practices, usually earmarked as food consumption and for popular pharmacy use.

Meliponiculture, in addition to benefiting the community as an alternative complementary income and to improving food safety, has an expressive effect on the environment. The native bee is an important pollinating agent, directly helping pollinate trees, and consequently helping renew the forest and the ecosystem's stability.

Traditional communities involved in the project have been working with honey production since 2006, within the scope of the Peabiru Institute's Native Bee Programme. However, the current situation for the production sector is characterized by low production volume and poorly structured marketing, carried out informally, with no care for storage, packaging and logistics.

## THE PROJECT

Selected in the Call-for-Submission for Sustainable Production Projects, the Amazon Nectar project will help strengthen and expand the production infrastructure and processing, increase the value of the final product, and structure the commercialization of native bee honey in traditional communities in the municipalities of Curuçá, Almeirim and Monte Alegre, in the state of Pará, and Macapá and Oiapoque, in the state of Amapá.

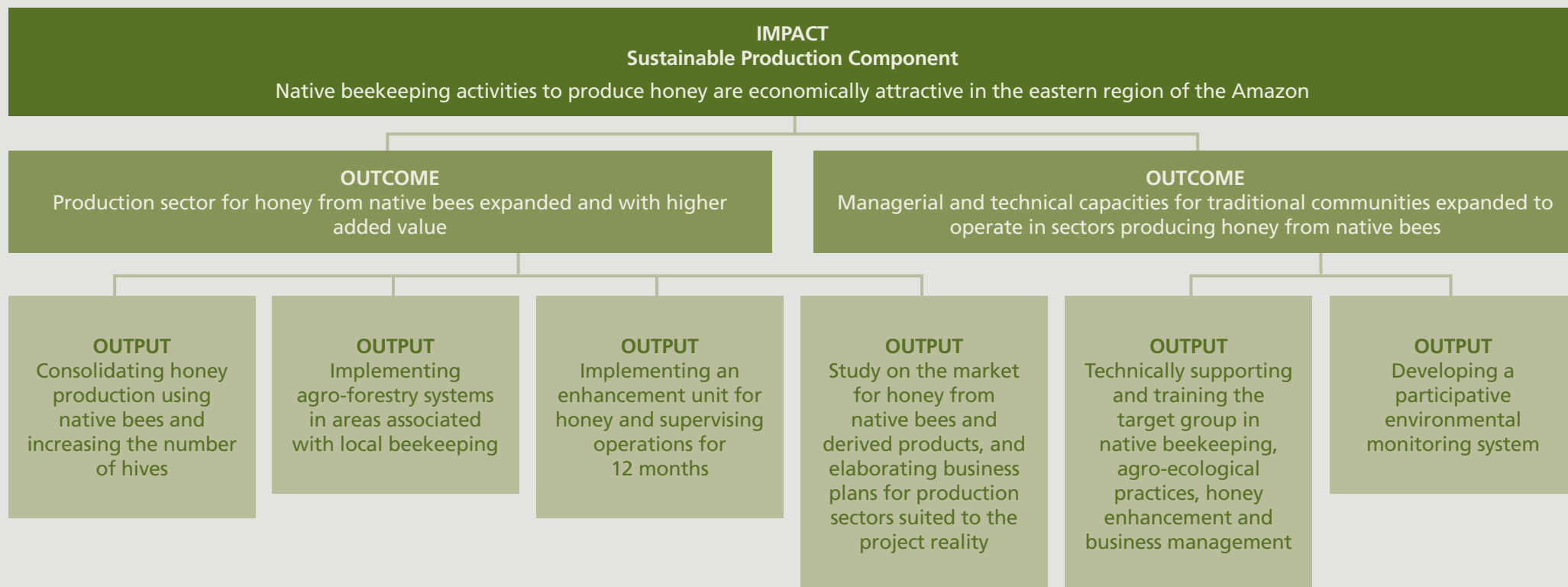
The Peabiru Institute also hopes to contribute to social and technical development in the communities, with special attention to include the participation of youths and women. Thus, it is expected to consolidate the honey production sector as an opportunity to generate income by providing an alternative to predatory and informal forestry activities.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component referred to as “Sustainable Production” within the Logical Framework of the Amazon Fund:



# NEGÓCIOS AGROFLORESTAIS

## AGRO-FORESTRY BUSINESSES

### Jari Foundation

<b>Project management</b>	Jari Foundation < <a href="http://www.fundacaojari.org.br">www.fundacaojari.org.br</a> >
<b>Territorial scope</b>	Municipalities of Vitória do Jari and Laranjal do Jari, in the state of Amapá
<b>Beneficiaries</b>	12 agroextraction communities, with an estimated target audience of 260 families
<b>Objective</b>	To provide support to combat illegal deforestation and poverty in the fields, by (i) implementing agro-forestry systems (SAF) with emphasis on açai culture in consortium with other species such as cassava, cupuassu and Brazil nuts; (ii) improving infrastructure and the qualification of manpower for furniture maker coops; and (iii) educating technical assistants in agroextractionism
<b>Total cost of the project</b>	R\$ 3,122,410.00 (US\$ 1,400,058.29)
<b>Amazon Fund support</b>	R\$ 2,838,549.00 (US\$ 1,272,777.77)
<b>Estimated completion date</b>	<b>30 months</b> (from the date the contract was signed)

#### Progress of the project

<b>Date approved</b>	7.29.2014
<b>Date awarded</b>	<b>10.23.2014</b>
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to the Amazon Fund support</b>	0%

## CONTEXTUALIZATION

Vale do Jari is a border region between the states of Pará (PA) and Amapá (AP), comprising the municipalities of Laranjal do Jari (AP), Vitória do Jari (AP) and Almeirim (PA). It covers an area of 106,409 km<sup>2</sup> and a population of approximately 86,000 inhabitants, concentrated in urban areas. The rural population is distributed throughout about 180 small communities, each comprising approximately 20 families. These communities are located in riverside areas and on solid ground in the forests throughout the region, some of them living in privately-owned areas, as in the case of property that belongs to the Jari Group or in protected areas that surround the regions, such as the Extraction Reserve on the Cajari River.

The most prominent economic activities in the region are: (i) Brazil nuts, throughout the Jari Valley, are one of the major sources of income for families; (ii) açai culture, second largest production sector in the region, and an important item in Amapá exports; (iii) cassava sector grown in the region by small communities for subsistence and to obtain income from the sale of surplus at small fairs or processing coops; and (iv) furniture sector, where there are efforts to develop good social and environmental practices, with the use of certified raw material, coming from forest management areas.



## THE PROJECT

The Agro-forestry Business project, selected in the Call-for-Submission for Sustainable Production Projects, aims to support extraction production (Brazil nuts, açai berries and cupuassu nuts), strengthening the cassava agriculture and improving infrastructure and training at local furniture cooperatives. Additionally, it intends to promote entrepreneur management focused on each community's production skills, so as to progressively build up self-sufficient communities in the project.

The project was structured through support to subprojects from local associations and cooperatives (conglomerates) and a subproject of an across-the-board nature. The following efforts can be highlighted: (i) implementing agro-forestry systems to cover an area of 110 hectares, of which some 30 ha are used to plant cassava, 30 ha in conjunction with feeding semi free-range chickens, and 50 ha used for cupuassu nuts; (ii) renewing and expanding agro-industry to enhance açai wine (pulp) as well as açai and cupuassu ice cream; (iv) introducing good practices into the local production of Brazil nuts, covering

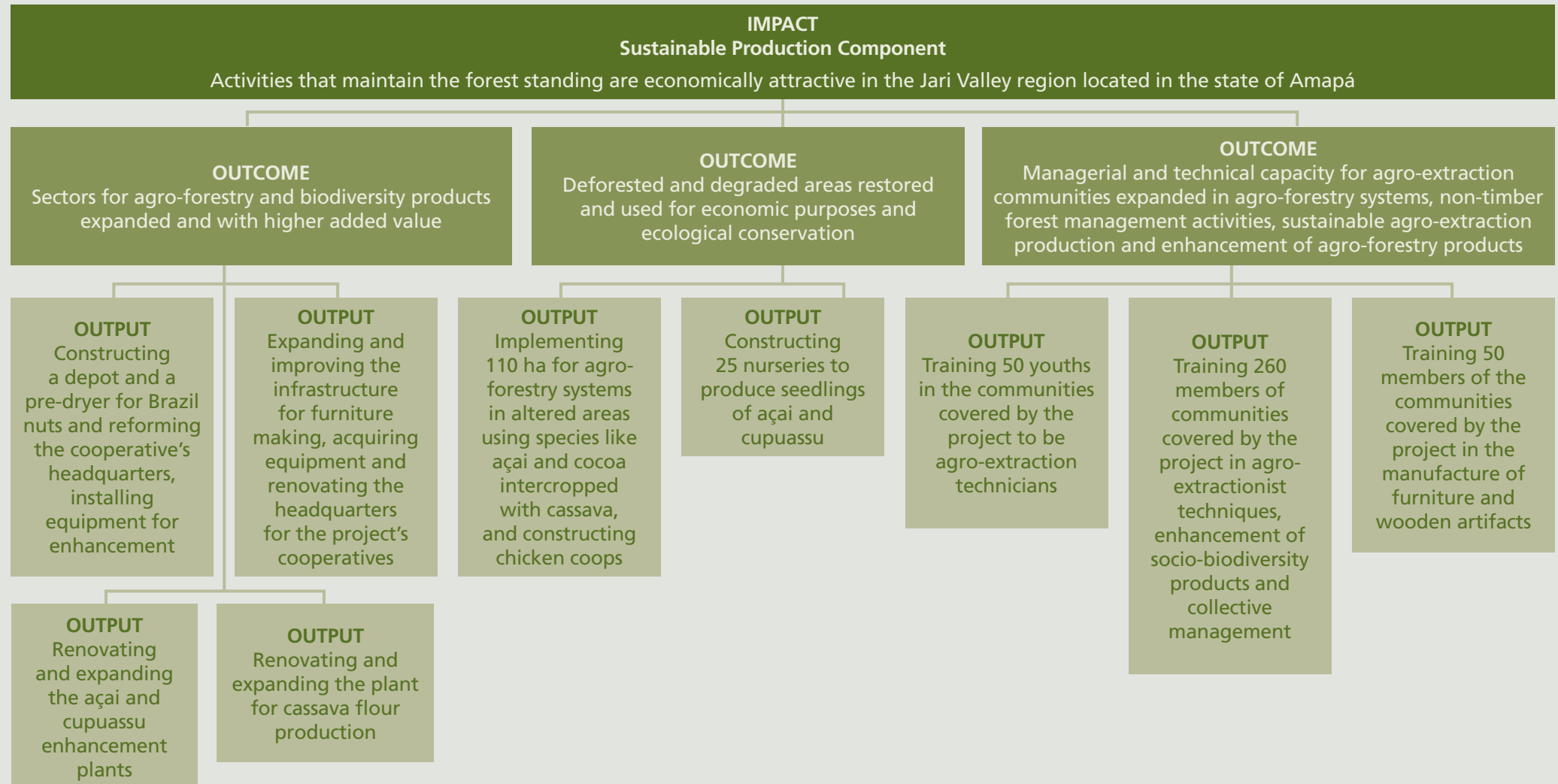
gathering, transport, pre-drying and packaging (post gathering); (v) educating and training youths from local furniture cooperatives to produce wooden furniture and artifacts as well as to improve infrastructure for local cooperatives. It also covers educating technical assistants in agroextraction, benefiting all communities included in the project.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component known as “Sustainable Production” in the Logical Framework of the Amazon Fund:



# CALHA NORTE SUSTENTÁVEL

SUSTAINABLE CALHA  
NORTE

**IMAFLORA**

<b>Project management</b>	Institute of Agriculture and Forest Management and Certification (IMAFLORA) <www.imaflora.org>
<b>Territorial scope</b>	Municipalities of Oriximiná and Alenquer, in the state of Pará
<b>Beneficiaries</b>	34 former slave communities in a settlement in the region
<b>Objective</b>	To strengthen extraction and family agriculture as boosters of development for the Pará State Calha Norte by implementing food processing units, sapling nurseries for agro-forestry systems and community carpentry, in former slave communities and settlements
<b>Total cost of the project</b>	R\$ 3,312,877.00 (US\$ 1,452,506.57)
<b>Amazon Fund support</b>	R\$ 3,312,877.00 (US\$ 1,452,506.57)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	8.26.2014
<b>Date awarded</b>	10.29.2014
<b>Total amount disbursed</b>	R\$ 352,261.50 (US\$ 132,999.13)
<b>Total amount disbursed in relation to Amazon Fund support</b>	11%

## CONTEXTUALIZATION

The Pará State Calha Norte covers approximately 28 million hectares and occupies 23% of the state of Pará. It is located to the north of the Amazonas River and includes nine municipalities: Alenquer, Almeirim, Curuá, Faro, Monte Alegre, Óbidos, Oriximiná, Prainha and Terra Santa. The region has the largest group of protected areas, indigenous land and former slave land in tropical forests on the planet, with approximately 22 million hectares. Added to protected areas in the states of Amapá and Amazonas, the Pará State Calha Norte is part of the largest biodiversity corridor in the world (<http://www.imazon.org.br/publicacoes/calha-norte>).

The main economic activities in former slave communities in Oriximiná are extraction, in which Brazil nuts are highlighted, and agriculture. However, former slaves face many difficulties to commercialize nuts independently, depending on river traders and other intermediaries, who drastically reduce the margin earned per sale. To change this scenario, the Institute of Agriculture and Forest Management and Certification (IMAFLOA) has already been working towards fostering development of the commercialization sector together with these populations, and this project intends to strengthen these efforts throughout the region.

IMAFLOA, together with inhabitants from the Paraíso Sustainable Development Project (PDS) settlement, initiated efforts focused on institutionally strengthening local associations, on raising awareness and on training these agents for sustainable agricultural practices. This project plans to continue with these efforts.

## THE PROJECT

The project, selected in the Call-to-Submission for Sustainable Production Projects, was structured through support for subprojects submitted by associations (conglomerates). The following efforts can be highlighted: (i) constructing, structuring and implementing four food processing units in former slave communities in the Oriximiná municipality to develop institutional markets; (ii) constructing and structuring a nursery to produce seedlings so as to implement agro-forestry systems and recover the forest at PDS Paraíso, in the municipality of Alenquer; and (iii) constructing and structuring a wood shop to promote multi-use forest management and generate income in former slave communities in Oriximiná.

Implementing this project will directly benefit 1,500 people in the Oriximiná (PA) municipality and 100 people from the PDS Paraíso settlement, located in Alenquer (PA). The nine municipalities that are part of the Calha Norte will be indirectly benefitted by fostering the local economy and offering new references for sustainable production activities.

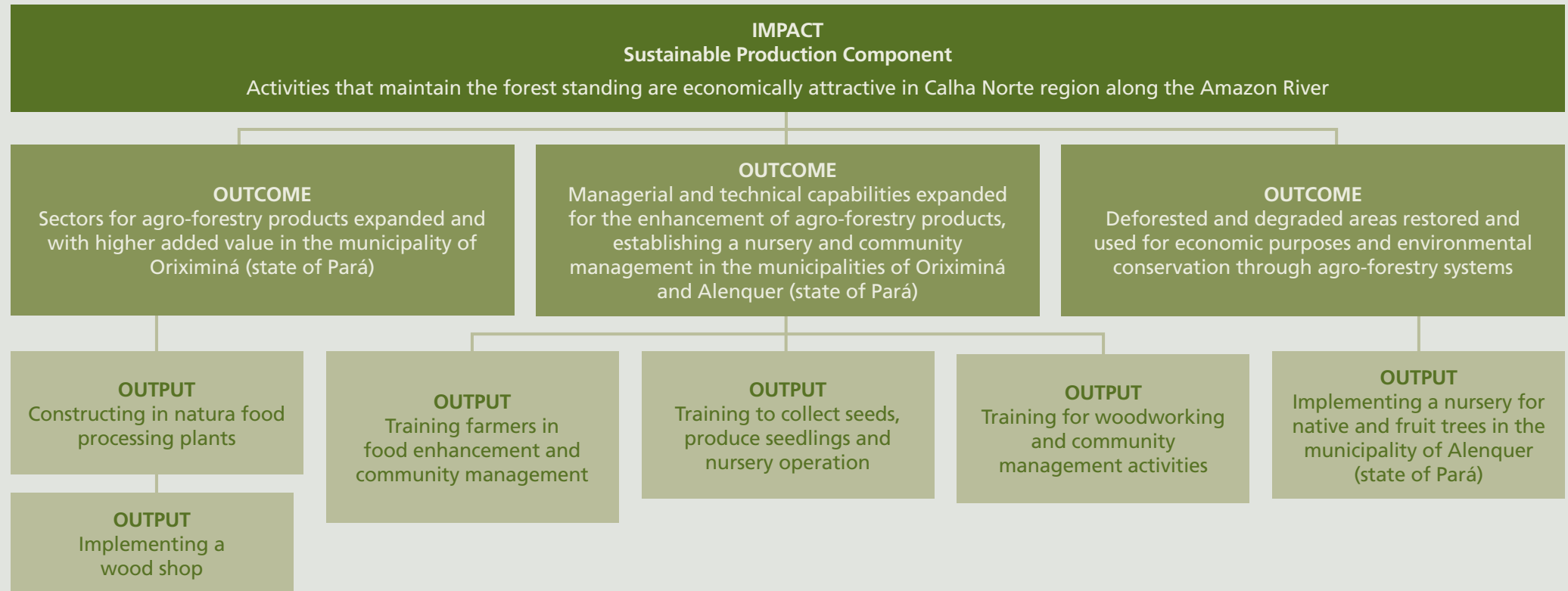


Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.



## INTERVENTION LOGIC

The project is included in the component referred to as “Sustainable Production” in the Logical Framework of the Amazon Fund:



**APL BABAÇU**

**APL BABASSU**

**ASSEMA**

<b>Project management</b>	Association of Settlement Areas in the State of Maranhão (ASSEMA)
<b>Territorial scope</b>	Municipalities of Lago do Junco, Lago da Pedra and Bacabal in the state of Maranhão
<b>Beneficiaries</b>	Populations from settlements, former slave communities, traditional communities and family farmers
<b>Objective</b>	To support conservation and sustainable management of babassu palm tree plantations and recover degraded areas using agro-forestry systems in three municipalities in the Amazon Biome, in the state of Maranhão
<b>Total cost of the project</b>	R\$ 5,286,300.00 (US\$ 2,363,754.24)
<b>Amazon Fund support</b>	R\$ 5,286,300.00 (US\$ 2,363,754.24)
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.2.2014
<b>Date awarded</b>	10.29.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

Seeds from the babassu coconut are used as food and raw materials to produce soap, charcoal and oil, among other products. Gathering this product in the state of Maranhão represented 93.9% of the extracted volume in the entire country in 2012. Some 20 municipalities with the largest production are located in the state and two of them are included in the project: Bacabal and Lago da Pedra.

The babassu palm tree plantation area in the state of Maranhão is undergoing a soil use conversion process to implement large-scale monoculture farms (eucalypt, sugarcane or soybean plantations) or cattle farms, or are to be used in industrial projects, mainly in the mining and energy sectors. Therefore, the project is a form of resistance from agro-extractionists, so they can remain in these areas, living off community-based babassu extraction and striving to improve standards of living while preserving this vegetation.

## THE PROJECT

Selected in the Call-to-Submission for Sustainable Production Projects, the APL Babassu project intends to improve the way to extract babassu coconuts, improving the production chain, so as to generate income for the population in the three municipalities in the Amazon Biome in the state of Maranhão. The proposal is to extract, process and commercialize products, in addition to fostering the conservation of the local environment, by implementing plans for managing and integrating other production systems with the babassu palm tree plantation area.

The following efforts will be carried out during the project: (i) implementing 280 hectares of reference units as models to reapply integrated production systems (using different techniques: agro-forestry yards, integrating babassu palm tree plantations and pastures, agro-forestry systems, among others); (ii) licensing 13,000 hectares of babassu palm tree plantations and preparing sustainable and community forest management plans; (iii) training 60 youths to develop competences in forest management, integrated production systems as well as management of properties and community

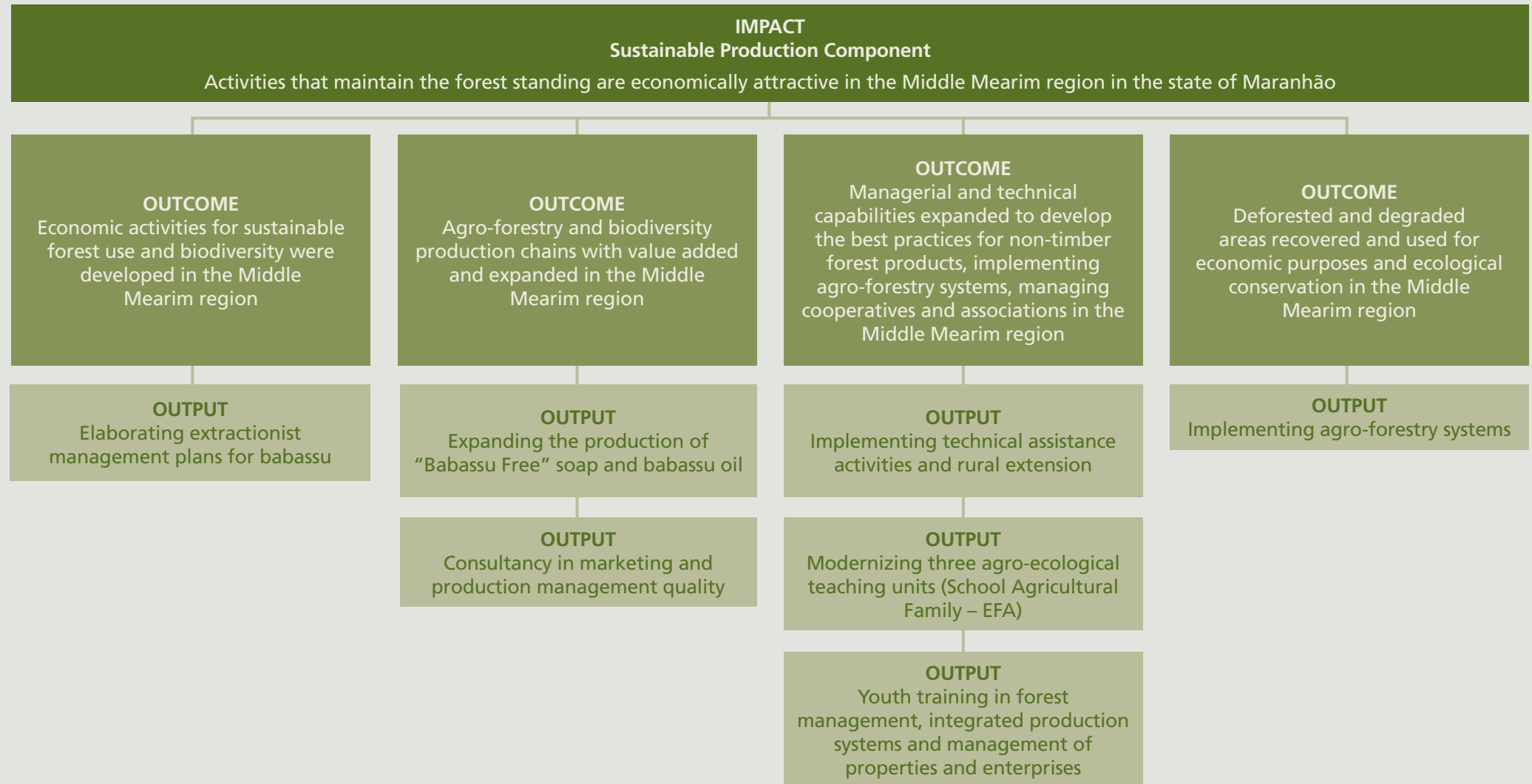
undertakings; (iv) increasing the volume commercialized by the soap factory in the municipality of Lago do Junco from 24,000 to 100,000 units/year; and (v) increasing the volume commercialized by the babassu oil factory in the municipality of Lago do Junco from 161 to 250 tons/year.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component referred to as “Sustainable Production” in the Logical Framework of the Amazon Fund:



# CADEIAS DE VALOR DA AGRICULTURA FAMILIAR NO ESTADO DO MATO GROSSO

FAMILY FARMING VALUE CHAINS  
IN THE STATE OF MATO GROSSO

**CTA-MT**

<b>Project management</b>	Alternative Technology Center Association (CTA) <www.ctamt.org.br>
<b>Territorial scope</b>	Amazon Portal Regions, from the mid-north and southeast of the state of Mato Grosso
<b>Beneficiaries</b>	Family farmers in the region, including indigenous communities, traditional communities as well as state and federal agrarian reform settlements
<b>Objective</b>	To help strengthen family farming in municipalities within the Amazon Biome in the southeast region of the state of Mato Grosso, by (i) implementing and consolidating agro-forestry systems; (ii) assisting collective structures for enhancing production; and (iii) structuring commercialization channels for agro-forestry systems' products
<b>Total cost of the project</b>	R\$ 3,238,032.00 (US\$ 1,447,876.94)
<b>Amazon Fund support</b>	R\$ 3,238,032.00 (US\$ 1,447,876.94)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.2.2014
<b>Date awarded</b>	11.25.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%



## CONTEXTUALIZATION

The southeast region of the state of Mato Grosso is marked by the presence of social conflicts caused by the advancing agricultural border and high concentration of land ownership.

Even though it has been increasing over the last few years and has significant importance to traditional communities, small farmers and indigenous populations, products from agro-forestry systems occupy a small space in the formal economy of that region. Distance from the main markets, limited access to capital and information, infrastructure shortcomings and a lack of skilled personnel are some of the challenges. There are still problems related to the development of planting, handling, processing, storage and quality control, in addition to the legal and regulatory aspects.

## THE PROJECT

Selected in the Call-to-Submission for Sustainable Production Projects, the Family Farming Value Chains in the state of Mato Grosso aims to strengthen community

agro-forestry production in the southeast region of the state, including strengthening honey production and integrating production, enhancement and commercialization stages for products from family farmer agro-forestry systems.

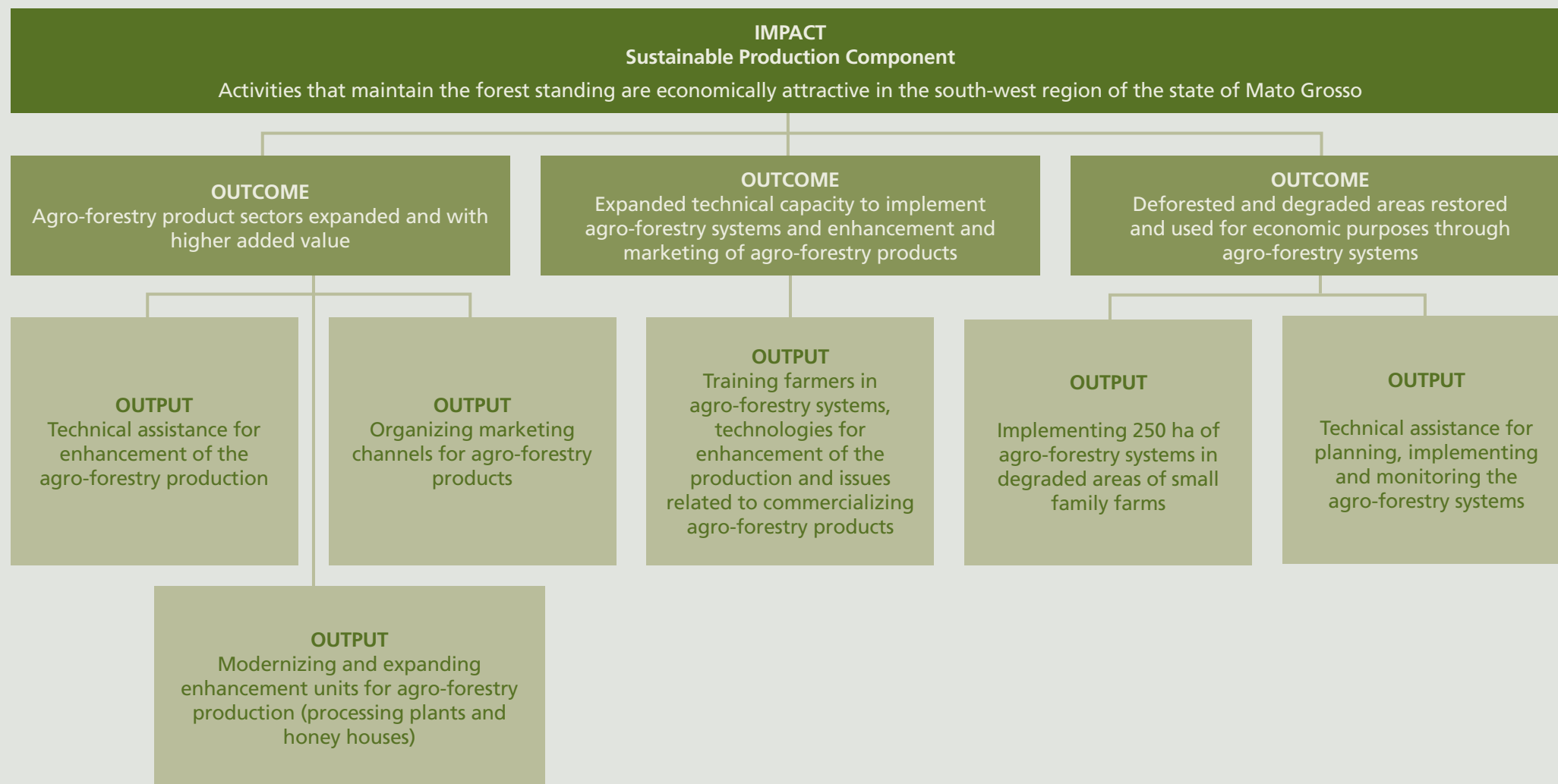
The scope of the project establishes the following activities: (i) planting/recovering 250 hectares of agro-forestry systems; (ii) support to increase honey production by approximately 12 tons/year; (iii) expanding of two honey plants; (iv) modernizing/expanding five units for processing products from agro-forestry systems; (v) support to commercialize agro-forestry products in local, institutional and extra-regional markets; (vi) direct technical assistance (ATER) for 250 families to implement agro-forestry systems and for the seven production processing structures the project supports; and (vii) training 30 family farmers to conduct projects related to environmental recovery and agro-forestry production.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component known as “Sustainable Production” in the Logical Framework of the Amazon Fund:



# FORTALECENDO A ECONOMIA DE BASE FLORESTAL SUSTENTÁVEL

STRENGTHENING THE  
SUSTAINABLE FOREST-BASED  
ECONOMY

**COOPERACRE**

<b>Project management</b>	Extraction Commercialization Central Cooperative for the State of Acre (COOPERACRE) <www.cooperacre.com>
<b>Territorial scope</b>	14 municipalities in the administrative regions Alto Acre, Baixo Acre and Purus
<b>Beneficiaries</b>	Small family rural property owners
<b>Objective</b>	To help strengthen Brazil nut and fruit pulp sectors in the state of Acre by: (i) recovering degraded and/or altered areas located in small properties or family owned rural properties; (ii) optimizing storage logistics for Brazil nuts and fruit transport; (iii) improving the Brazil nut enhancement process; (iv) adding value and diversifying products; (v) improving the product commercialization strategy; and (vi) training the affiliated network
<b>Total cost of the project</b>	Up to R\$ 5,265,403.00 (US\$ 2,205,866.36)
<b>Amazon Fund support</b>	Up to R\$ 5,081,763.00 (US\$ 2,128,932.97)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.23.2014
<b>Date awarded</b>	11.24.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

One of the strategies to reduce deforestation is to implement alternatives to generate income in a sustainable fashion. Extraction Commercialization Central Cooperative for the State of Acre (COOPERACRE) is one of the initiatives that represents organized production (in addition to nuts, fruit pulp and latex) of a network comprising 31 cooperatives and/or producer associations, to which approximately 2,000 families are directly connected, in addition to 1,000 other families that are not formally enrolled yet, but benefit from the purchase of production.

COOPERACRE works in the production sector for Brazil nuts (main product), fruit pulp, latex and copaiba oil on a smaller scale. The main activities the cooperative develops include: purchasing, logistics support, enhancement and commercialization of extraction production. The current enhancement structure comprises Brazil nut enhancement plants, located in the municipalities of Brasileia and Xapuri, in addition to fruit pulp processing agro-industries located in Rio Branco.

## THE PROJECT

Selected in the Call-to-Submission for Sustainable Production Projects, the project aims to strengthen the sustainable forest-based economy in the state of Acre, specifically Brazil nuts and fruit pulp production sectors, through direct and indirect efforts to support associations and/or cooperatives affiliated with COOPERACRE ("conglomerates").

Direct efforts involve three components:

(i) installing two community warehouses and providing polypropylene boxes to improve fruit transport conditions; (ii) increasing the number of conglomerate cooperatives and associations with certificates for organic nut production; and (iii) recovering degraded and/or altered areas in small properties or family-owned rural properties.

Across-the-board efforts involve six components: (i) rendering technical assistance services and rural extension (ATER); (ii) optimizing the COOPERACRE enhancement structure by installing two new drying ovens and briquette machines (which transforms the residual peel of Brazil nuts into compacted high calorie biomass); (iii) developing feasibility studies to diversify products; (iv) educating

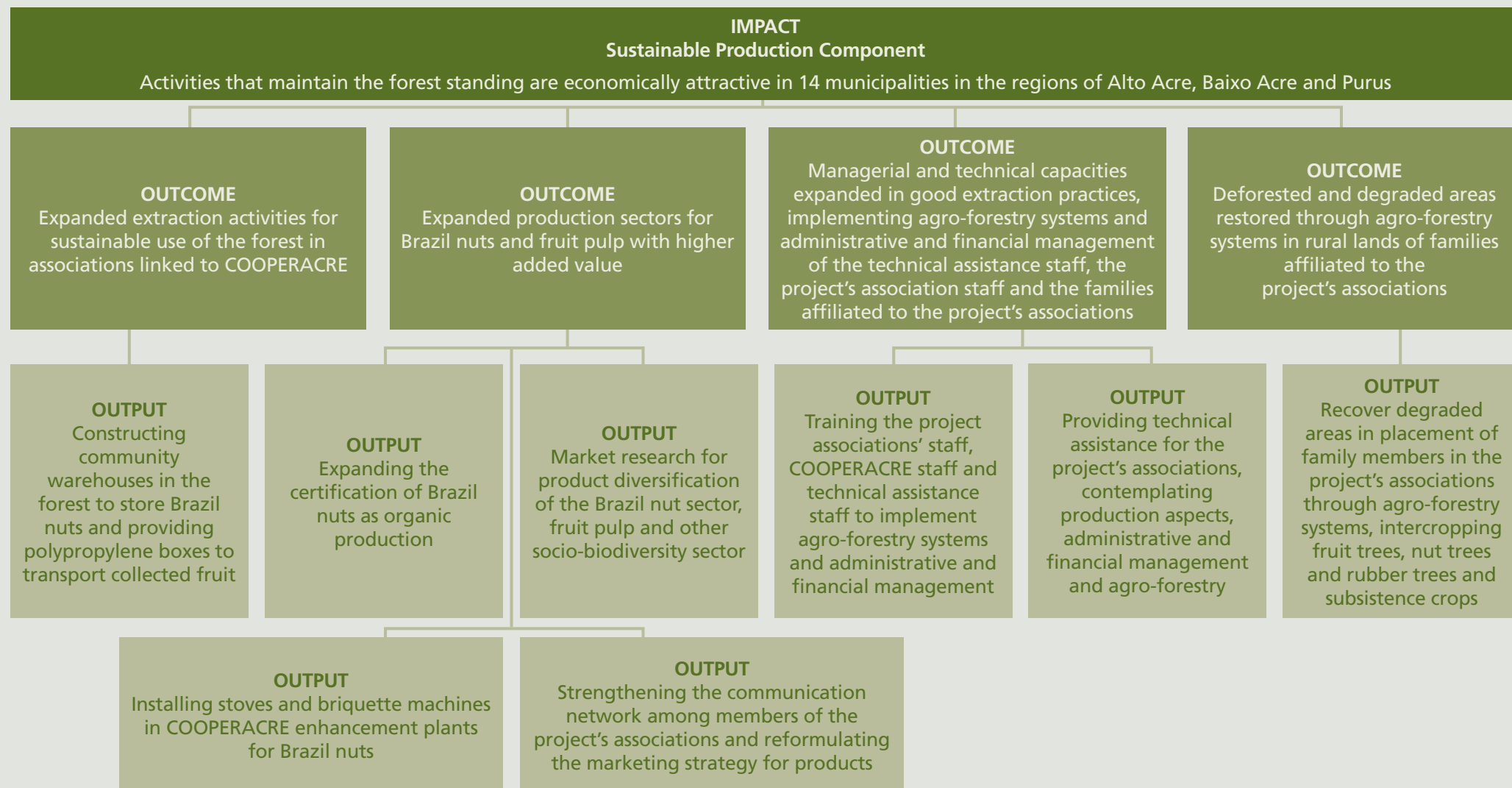
and training "conglomerate" representatives, COOPERACRE technicians and the ATER team; (v) investments into communication and marketing; and (vi) project coordination.



Source: Elaborated by GIZ, based on data from the BNDES, IBGE and Ministry of the Environment.

## INTERVENTION LOGIC

The project is included in the component referred to as “Sustainable Production” in the Logical Framework of the Amazon Fund:





# CONCRETIZAR

## CONCRETIZAR

### RECA

<b>Project management</b>	Association of Small Agro-farmers in the RECA Project <www.projettoreca.com.br>
<b>Territorial scope</b>	The Ponta do Abunã River – municipalities of Porto Velho in the state of Rondônia and Acrelândia in the state of Acre
<b>Beneficiaries</b>	Directly including 385 family agro-farmers associated with conglomerate entities and approximately 435 additional families who will benefit from investments in fruit enhancement plants
<b>Objective</b>	To strengthen cupuassu and açai berry production sector by implementing agro-forestry systems, as well as increasing and modernizing the production capacity from pulp enhancement units in traditional communities in Ponta do Abunã, so as to build a sustainable economic alternative to deforestation
<b>Total cost of the project</b>	R\$ 5,127,594.00 (US\$ 2,143,374.16)
<b>Amazon Fund support</b>	R\$ 4,751,520.00 (US\$ 1,986,172.30)
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.14.2014
<b>Date awarded</b>	-
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

The project covers the area where three borders meet between the states of Acre, Amazonas and Rondônia, an area known as Ponta do Abunã (River). There are 25 settlement projects established in the region, in a total of over 6,231 km<sup>2</sup> occupied by nearly 9,000 families in these settlements. It is an area of agrarian conflict, with serious social and environmental issues. The Association of Small Agro-farmers from the Project for Consortium-based and Dense Economic Reforestation (RECA) has worked in the region since 1989, pioneer in sustainable use of the forest in Brazil and a model for several interested parties interested in implementing agro-forestry systems.

## THE PROJECT

Selected in the Call-to-Submission for Sustainable Production Projects, the Concretizar project aims to support “conglomerate” projects – enterprises managed by an entity and comprising subprojects from other entities. There are four subprojects, one for each conglomerate entity, comprising efforts to implement agro-forestry systems on small

properties from entity associates. In total, some 300 hectares of agro-forestry systems will be implemented in 135 associate family units. The main perennial species to be planted are: cupuassu palm trees, açai berry palm trees (açai solteiro), Brazil-nut trees, pupunha palm trees (*Bactris gasipaes*), carapas, copaibas, cumaru-de-cheiro (*Dipteryx odorata*), bacaba trees (*Oenocarpus bacaba*) and rubber trees (*Hevea brasiliensis*).

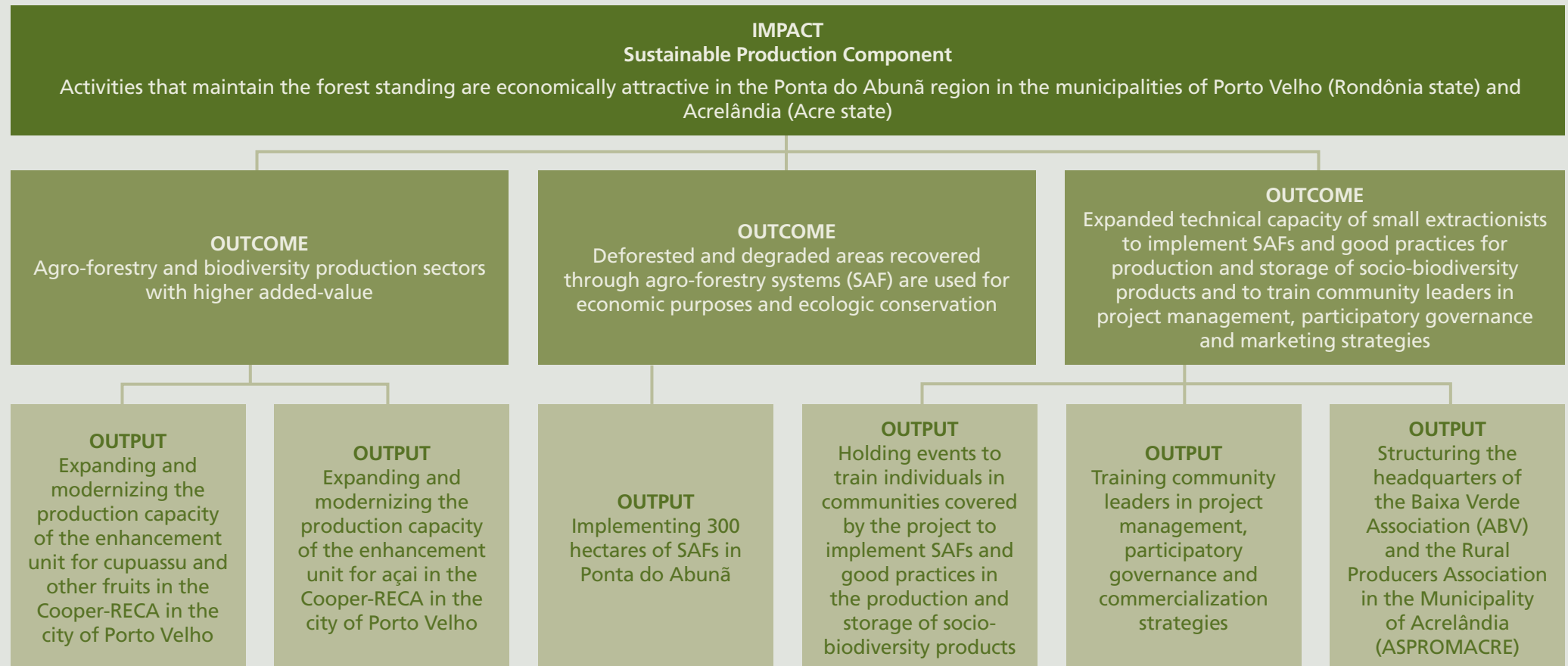
The project also includes four across-the-board efforts that will benefit the four conglomerates: (i) increasing and modernizing the production capacity for fruit enhancement units; (ii) institutional strengthening; (iii) technical assistance and rural extension (ATER); and (iv) project management. The first one is the project’s most representative in terms of value (more than 50% of the total) and includes activities required to promote and increase the scale of native fruit enhancement, especially for cupuassu and açai berries.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the component known as “Sustainable Production” in the Logical Framework of the Amazon Fund:



# ARAPAIMA: REDES PRODUTIVAS

## ARAPAIMA: PRODUCTION NETWORKS

### OPAN

<b>Project management</b>	Native Amazon Operations (OPAN) <www.amazonianativa.org.br>
<b>Territorial scope</b>	Indigenous land on the Biá River, in the state of Espírito Santo, Acapuri de Cima, Estação, Macarrão and Deni, at the Sustainable Development Reserves Uacari and Cujubim and at the Extractionist Reserve Médio Juruá located at the mid-basins Juruá and Solimões in the state of Amazonas
<b>Beneficiaries</b>	Indigenous populations and extractionist communities
<b>Objective</b>	To provide support in the Juruá and Solimões mid-basins in the state of Amazonas: (i) fishing management and non-wood forest resources on indigenous land and protected areas; and (ii) strengthening indigenous associations and extractionist producer associations
<b>Total cost of the project</b>	R\$ 6,364,730.00 (US\$ 2,511,633.32)
<b>Amazon Fund support</b>	R\$ 6,364,730.00 (US\$ 2,511,633.32)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.28.2014
<b>Date awarded</b>	-
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

Protected areas in the Amazon have come under threat from non-sustainable and uncontrolled exploration of the existing natural resources, which many times is illegally.

Additionally, so as to improve the standard of living for populations that live in protected areas (or surrounding areas), which do not rely economically on activities that cause deforestation or that use natural resources in a predatory manner, sustainable production activities need investment to become economically profitable in these areas.

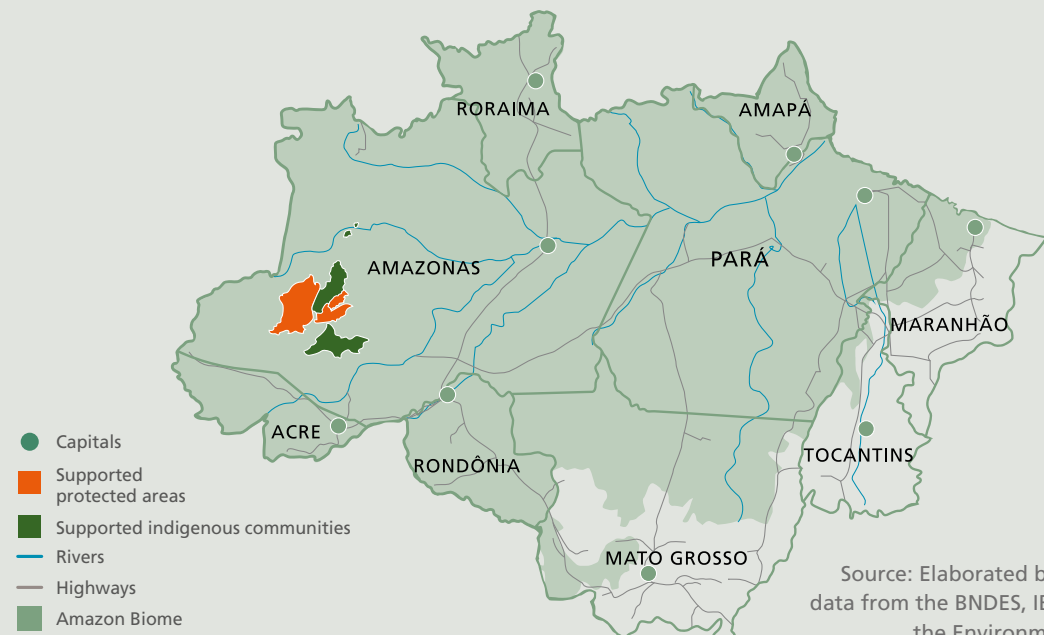
## THE PROJECT

Selected in the Call-to-Submission for Sustainable Production Projects, the project aims to support not only fishing management and non-wood forest resources on indigenous land and protected areas, but also strengthen indigenous associations and extractionist producer associations, at the Juruá and Solimões mid-basins, in the state of Amazonas.

The scope of the project covers the following

efforts: (i) building solutions in the production area and community organization; (ii) technical training for local agents; (iii) preparing management and business plans for fishing and non-wood forest products; and (iv) developing the infrastructure required to overcome distribution difficulties and insert these products in the local and regional markets.

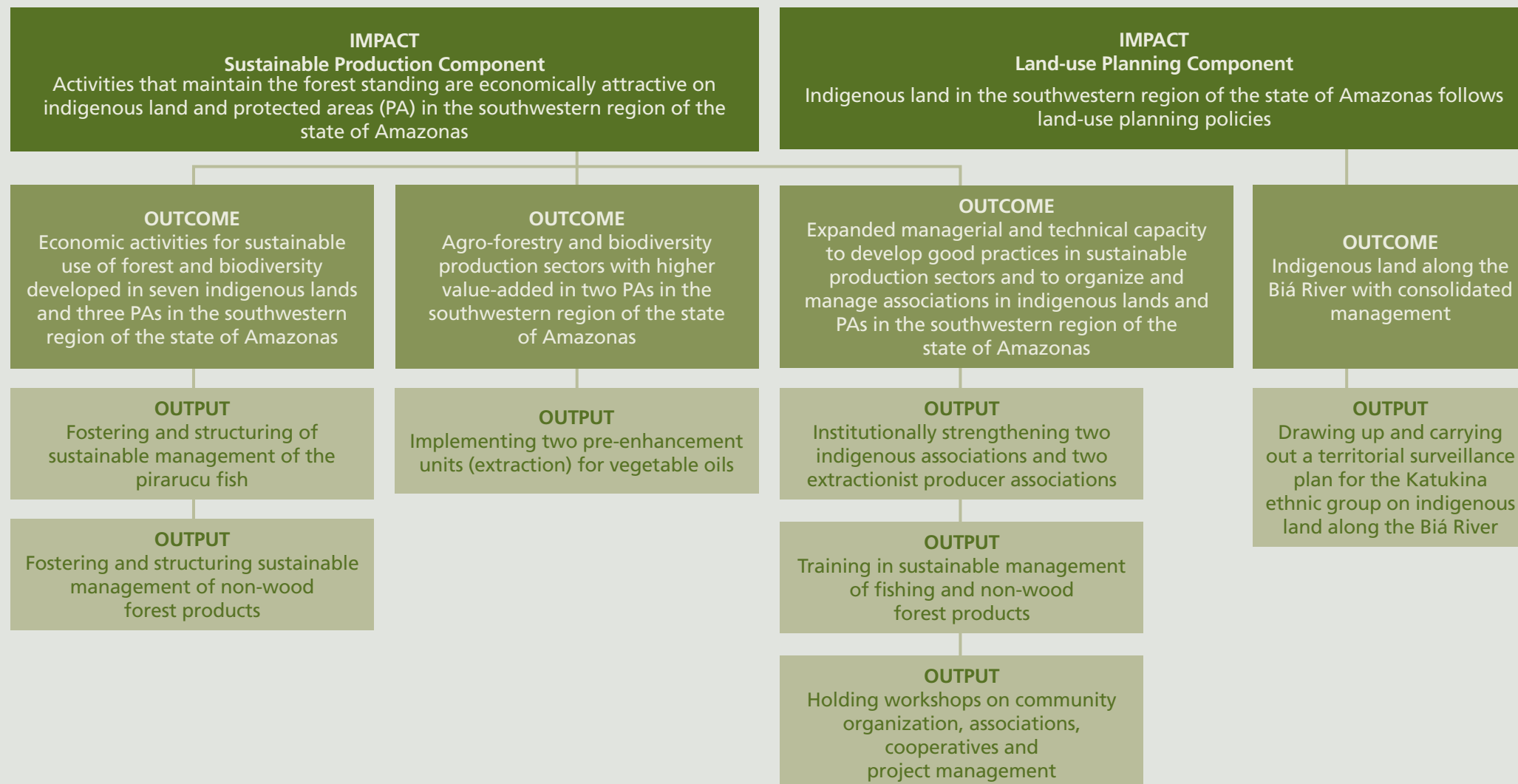
All of these efforts will be made by adding value and using indigenous knowledge and practices from traditional communities to improve the management of natural resources in these territories using participative methodologies that politically and economically strengthen local agents. The aim is to allow conglomerate entities to strengthen their institutional value and improve specific administrative and management abilities, in addition to earning respect for their territories.



Source: Elaborated by GIZ, based on data from the BNDES, IBGE, Ministry of the Environment and FUNAI.

## INTERVENTION LOGIC

The project is included in the components referred to as “Sustainable Production” and “Land-use Planning” in the Logical Framework of the Amazon Fund:





# MONITORAMENTO AMBIENTAL POR SATÉLITES NO BIOMA AMAZÔNIA

ENVIRONMENTAL MONITORING  
BY SATELLITE IN THE  
AMAZON BIOME

**INPE/FUNCATE**

PROJECTS APPROVED IN  
**2014**

PROJECTS WITH THE FEDERAL  
GOVERNMENT

<b>Project management</b>	National Institute of Space Research (INPE)/Science, Applications and Space Technology Foundation (FUNCATE) <www.inpe.br> e <www.funcate.org.br>
<b>Territorial scope</b>	Amazon Biome
<b>Beneficiaries</b>	All people and institutions that use INPE information related to environmental monitoring by satellites
<b>Objective</b>	To support the development of studies and land coverage in the Amazon Biome, as well as the expanding and improving environmental monitoring by satellites performed by INPE
<b>Total amount of project</b>	Up to R\$ 66,952,436.00 (US\$ 27,783,399.45)
<b>Amazon Fund support</b>	Up to R\$ 66,952,436.00 (US\$ 27,783,399.45)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.7.2014
<b>Date awarded</b>	10.29.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

The National Institute of Space Research (INPE) is a research unit, part of the Ministry of Science, Technology and Innovation (MCTI), and its mission is to produce science and technology in the space and terrestrial environment areas. INPE is responsible for running the environmental monitoring program in the Amazon, which produces systematic data on deforestation and forest degradation in the region. These data are among the main sources of information for decision making as it relates to policies to combat deforestation in the Amazon.

INPE monitors forest coverage using satellites in the Amazon has four main systems: PRODES, DETER, DEGRAD and DETEX. These systems are complementary and were prepared to achieve different goals.

Another important contribution that INPE has made to reducing deforestation and environmental degradation was the TerraClass project, performed in partnership with the Brazilian Farming Research Company (EMBRAPA) and financed with resources from the World Bank and FINEP – Innovation and Research. The aim of the project is to map land use and coverage in deforested areas in the Amazon based on satellite images. It carried out in the years of 2008 and 2010.

## THE PROJECT

Environmental Monitoring Project using Satellites in the Amazon Biome aims to help not only expand and improve environmental monitoring using satellite, but also develop studies on land use and coverage in the Amazon Region, carried out by INPE.

This project includes seven subprojects: mapping land use and coverage in the Legal Amazon; improving the TerraAmazon software; improving reception services, distributing and using remote sensing images from INPE; improving monitoring for burn-offs and forest fires; studies of standards and processes used to characterize the deforestation dynamics in the Amazon; providing modeling tools for land use; and improving methods to estimate biomass and emissions using land-use changes.

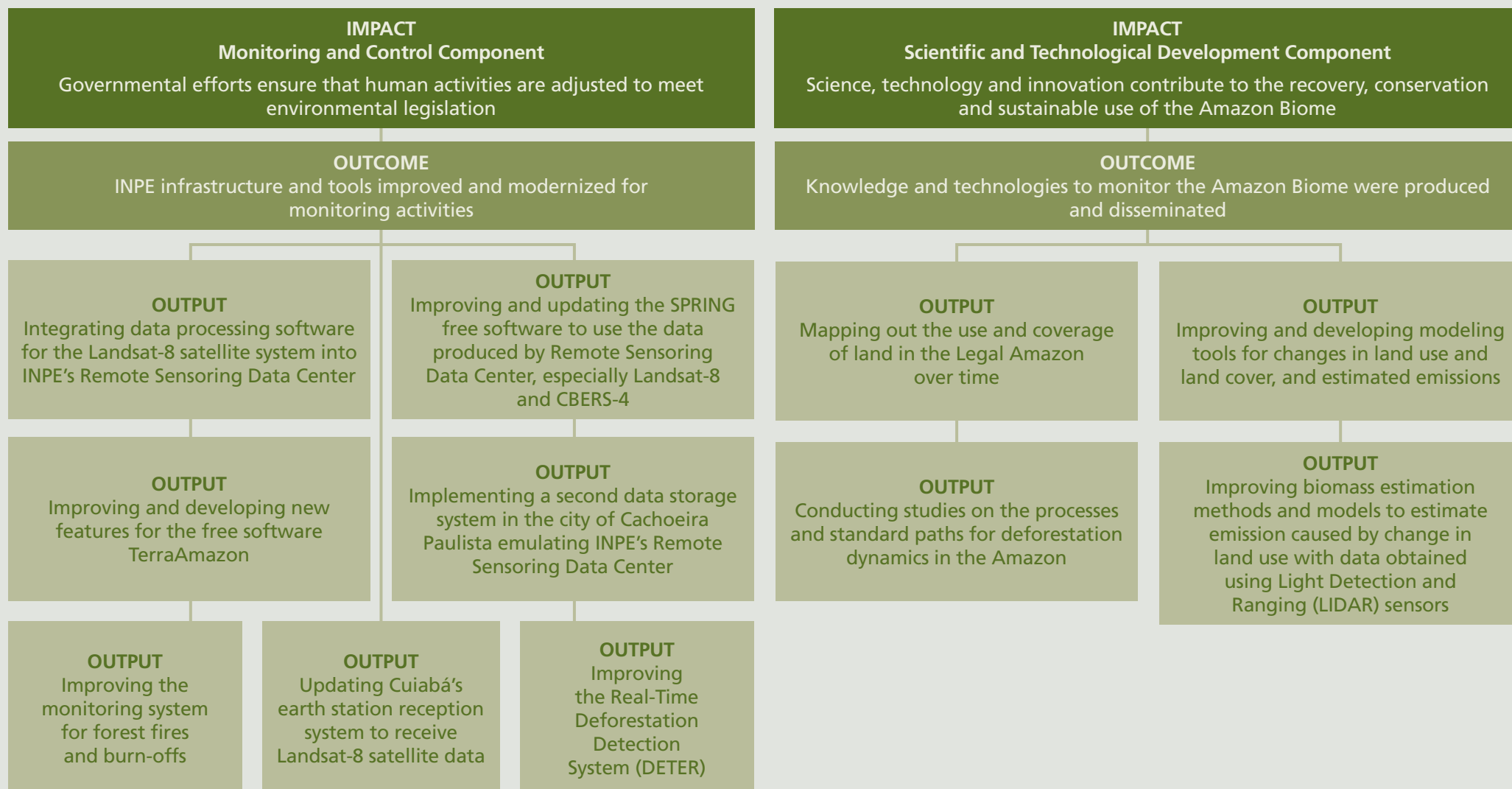
The aims of the project and the expected results help implement the Reducing Emissions from Deforestation and Forest Degradation (REDD+) strategy, since they enable increased control of deforestation and forest degradation by strengthening INPE monitoring systems and increasing knowledge on their history and progress over time.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the components known as “Monitoring and Control” and “Scientific and Technological Development” in the Logical Framework of the Amazon Fund:



# GESTÃO AMBIENTAL SUSTENTÁVEL DAS TERRAS INDÍGENAS DO ESTADO DO AMAZONAS

SUSTAINABLE ENVIRONMENTAL  
MANAGEMENT OF INDIGENOUS  
LAND IN THE STATE  
OF AMAZONAS

**SEIND-AM**

<b>Project management</b>	The State of Amazonas/State Secretariat for Indigenous People (SEIND) <www.amazonas.am.gov.br>
<b>Territorial scope</b>	28 indigenous lands distributed over 15 municipalities in the state of Amazonas
<b>Beneficiaries</b>	Covers part of the indigenous population in the state of Amazonas, benefiting approximately 34 ethnicities in 29 communities located in 15 municipalities
<b>Objective</b>	To help foster environmental management and develop sustainable production activities for indigenous people in the state of Amazonas, so as to generate work, income and social inclusion
<b>Total cost of the project</b>	R\$ 16,465,000.00 (US\$ 6,921,266.13)
<b>Amazon Fund support</b>	Up to R\$ 16,465,000.00 (US\$ 6,921,266.13)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	1.7.2014
<b>Date awarded</b>	2.20.2014
<b>Total amount disbursed</b>	R\$ 2,950,478.67 (US\$ 1,334,394.04)
<b>Total amount disbursed in relation to Amazon Fund support</b>	18%

## CONTEXTUALIZATION

Historically, indigenous lands (TI) have one of the lowest deforestation indexes among the several categories of protected areas; however, pressure from external agents for the natural resources in these areas is still growing strongly in the regions that are on the border of large highways and large rivers. On the other hand, indigenous people industrially seek not only recognition of their cultural identity, but also more political and financial autonomy for their communities and representative associations.

Efforts planned for this project help achieve specific objectives in the National Policy for Territorial and Environmental Management of Indigenous Land (PNGATI), instituted by Decree N°. 7,747, of June 5, 2012. The project was prepared by the State Secretariat for Indigenous People (SEIND) based on consultations with communities and, especially, on several previous experiences that came from consolidating policies and initiatives, both from the state of Amazonas and from the Federal Government. The premise is to be in accordance with the calling, potentialities and cultural standards of people and regions.

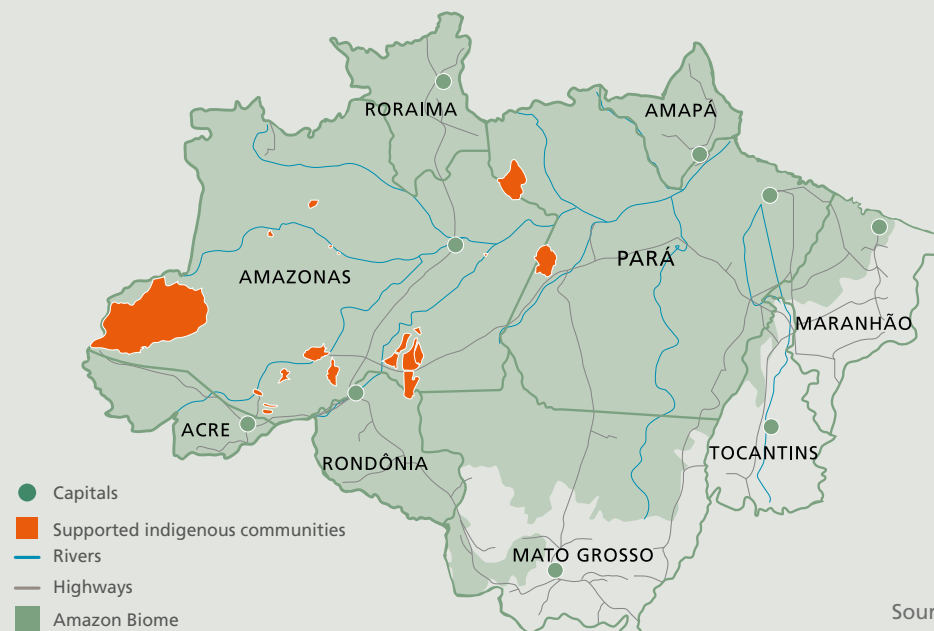


## THE PROJECT

Sustainable Environmental Management of Indigenous Land in the State of Amazonas aims to reduce pressure from exploration that leads to degradation of natural resources, by supporting monitoring activities, institutionally strengthening local associations, training and fostering sustainable production activities in 28 TIs across 15 municipalities in the state of Amazonas.

Project efforts involve: (i) implementing environmental management plans and monitoring bases; (ii) developing sustainable family farming projects; (iii) developing fishing management and aquiculture activities, with the construction of tank nets; (iv) developing projects for sustainable management of forest products; (v) developing indigenous crafts, building production and storage centers in villages and commercialization centers in urban areas; (vi) training indigenous people in areas related to the project; and (vii) providing infrastructure to SEIND-AM to support project implementation and efforts.

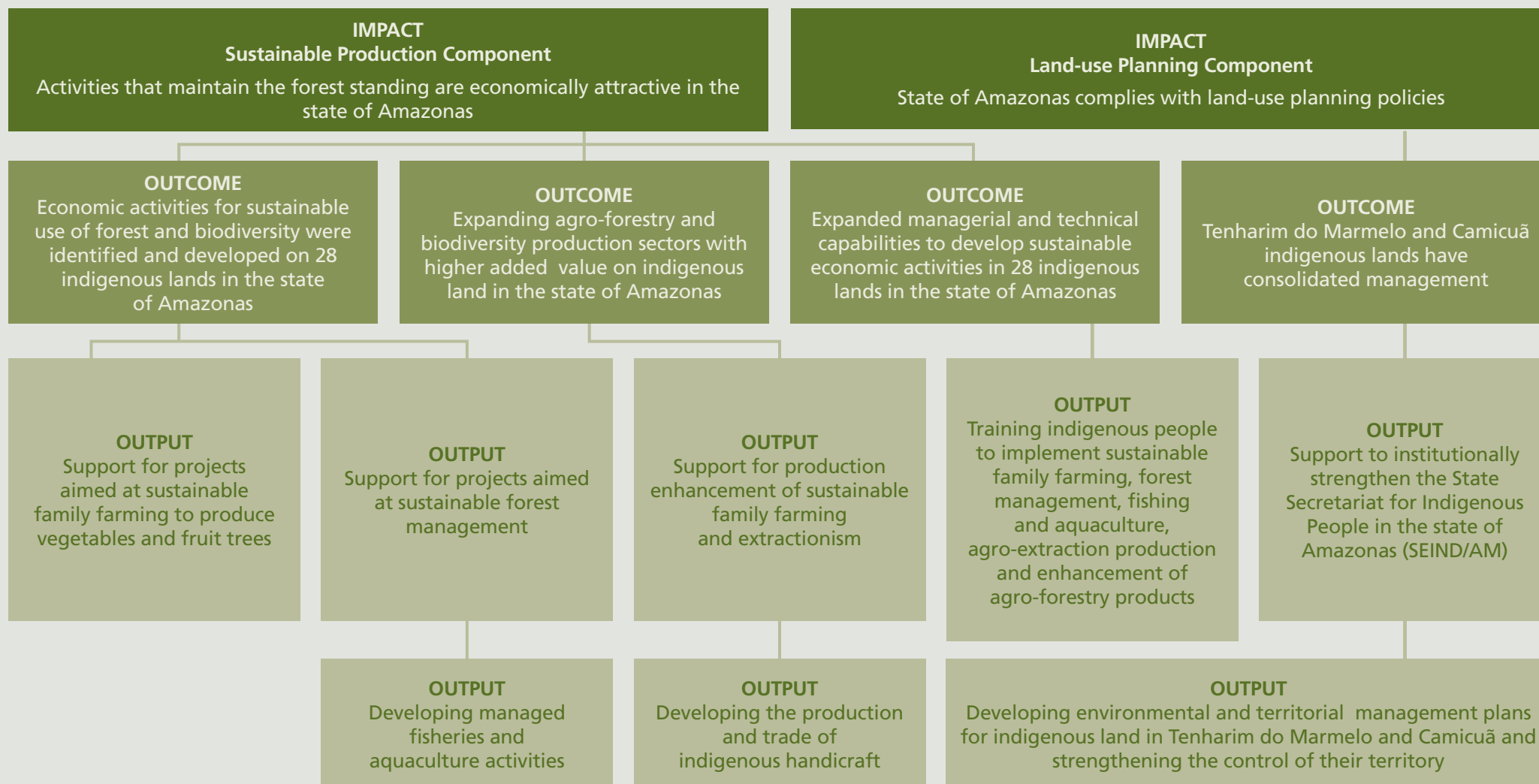
Production structures to be implemented and assets acquired in the project will have be defined in a participative manner in communities benefitting, according to SEIND's experience in similar projects.



Source: Elaborated by GIZ,  
based on data from the  
BNDES, IBGE and FUNAI.

## INTERVENTION LOGIC

The project is included in the components referred to as “Sustainable Production” and “Land-use Planning” in the Logical Framework of the Amazon Fund:



# PROJETO DE DESENVOLVIMENTO SOCIOECONÔMICO AMBIENTAL INTEGRADO

INTEGRATED ENVIRONMENTAL  
SOCIOECONOMIC  
DEVELOPMENT PROJECT

**SEDAM-RO**

**Project management**

Rondônia State/State Secretariat for Environmental Development (SEDAM-RO)  
<www.sedam.ro.gov.br>

**Territorial scope**

The entire state of Rondônia

**Beneficiaries**

Rural producers as well as state and municipal environmental administrative structures

**Objective**

To support environmental management, including efforts focused on helping preserve state protected areas, on consolidating Rural Environmental Registration and strengthening municipal environmental management, so as to contribute to combating deforestation and forest degradation in the state of Rondônia

**Total cost of the project**

R\$ 35,576,602.00 (US\$ 15,246,026.14)

**Amazon Fund support**

R\$ 32,659,602.00 (US\$ 13,995,972.57)

**Estimated completion date**

**36 months** (from the date the contract was signed)

**Progress of the project**

**Date approved**

1.21.2014

**Date awarded**

3.14.2014

**Total amount disbursed**

R\$ 10,642,000.00 (US\$ 4,807,987.71)

**Total amount disbursed in relation  
to Amazon Fund support**

33%

## CONTEXTUALIZATION

The state of Rondônia covers an area of 237,590 km<sup>2</sup>, of which approximately 35% is covered by protected areas. The occupation of land happened in a disorganized manner, along the main highways, favouring the development of economic activities that cause deforestation, such as cattle-raising and timber commercialization. Both activities have advanced even towards protected areas (PA).

The State Secretariat for Environmental Development (SEDAM) was created in 2000, with headquarters in the municipality of Porto Velho, currently with 14 regional offices.

## THE PROJECT

The project aims to help combat deforestation and forest degradation in the state of Rondônia through efforts towards monitoring and control, land-use planning and support to develop sustainable production activities.

In the components known as monitoring and control, and land-use planning, efforts are focused on protecting state

PAs, on consolidating Rural Environmental Registration (CAR) and strengthening municipal environmental management.

The project also focuses on critical areas under the threat of deforestation and conflicts, especially in PA surrounding areas and in the five municipalities that the Ministry of Environment's included on the list of priority municipalities for efforts towards preventing, monitoring and controlling deforestation.

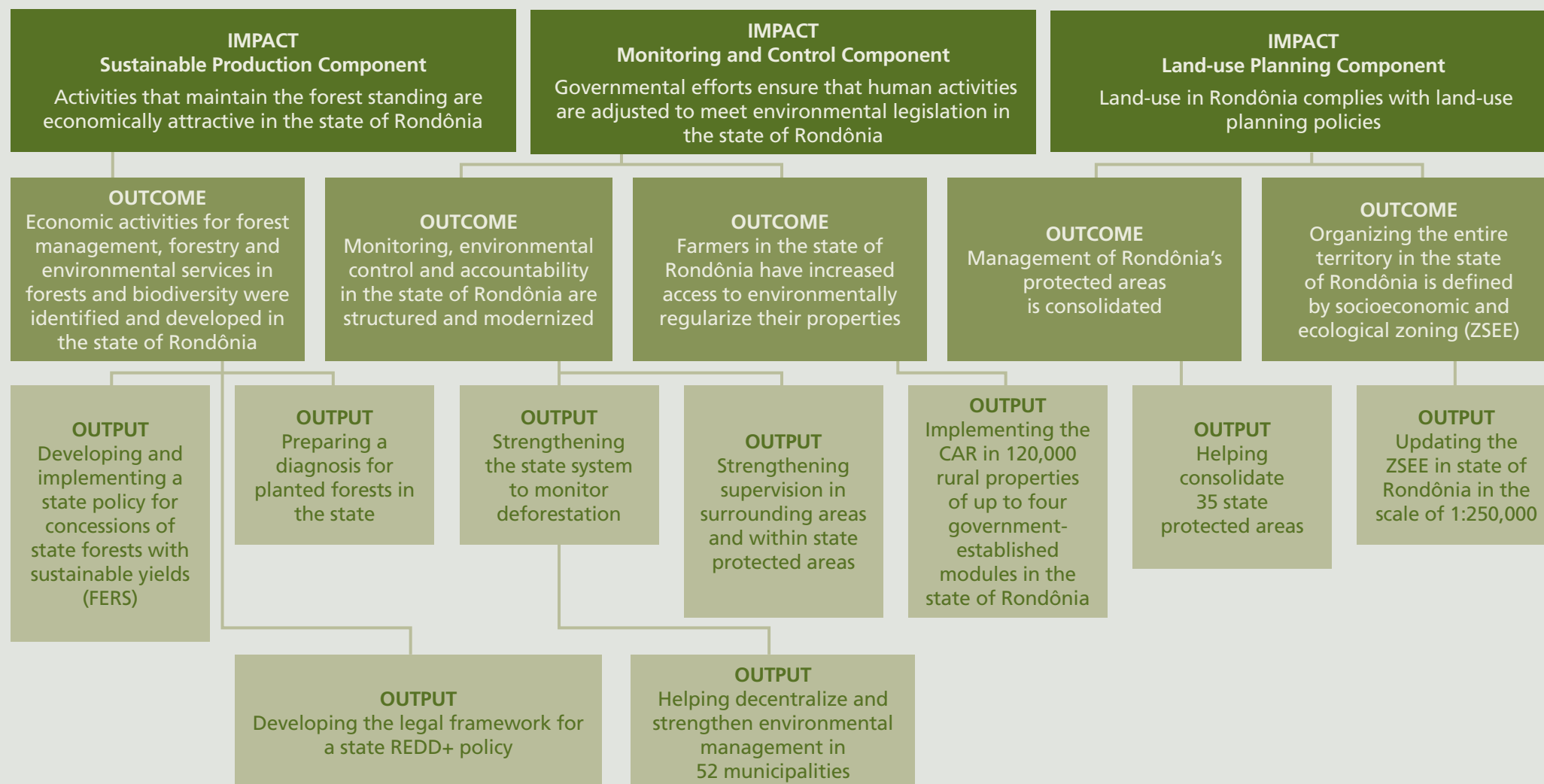
Project efforts also incorporate a sustainable economic development perspective. Standing apart are the diagnosis of forests planted in the state of Rondônia and the implementation of a state policy for concessions of forests with sustainable income.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the components referred to as “Sustainable Production”, “Monitoring and Control” and “Land-use Planning” in the Logical Framework of the Amazon Fund:



# CAR BAHIA

## CAR IN THE STATE OF BAHIA

### INEMA-BA

<b>Project management</b>	Institute of Environment and Hydric Resources in the State of Bahia (INEMA) – Bahia State/State Secretariat for Environmental Development <www.inema.ba.gov.br>
<b>Territorial scope</b>	The project will directly benefit 161 municipalities in the state of Bahia, through registration efforts and indirectly benefit the entire state, through efforts in training and improving infrastructure to implement the Rural Environmental Registration (CAR)
<b>Beneficiaries</b>	Land owners or temporary-owners (bailments) of rural lands with up to four government inspection modules in 161 municipalities in the state of Bahia that develop agro-forestry and cattle-raising activities, even, if need be, agrarian reform settlements, projects and the traditional communities that make collective use of the territory, in addition to the state government and other land owners or temporary-owners in the state of Bahia, through efforts in training and improving infrastructure to support the CAR
<b>Objective</b>	To help implement the CAR in the state of Bahia
<b>Total cost of the project</b>	R\$ 37,260,000.00 (US\$ 16,027,185.13)
<b>Amazon Fund support</b>	R\$ 31,671,000.00 (US\$ 13,623,107.36)
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	3.25.2014
<b>Date awarded</b>	6.2.2014
<b>Total amount disbursed</b>	R\$ 1,023,000.00 (US\$ 462,184.87)
<b>Total amount disbursed in relation to Amazon Fund support</b>	3%



## CONTEXTUALIZATION

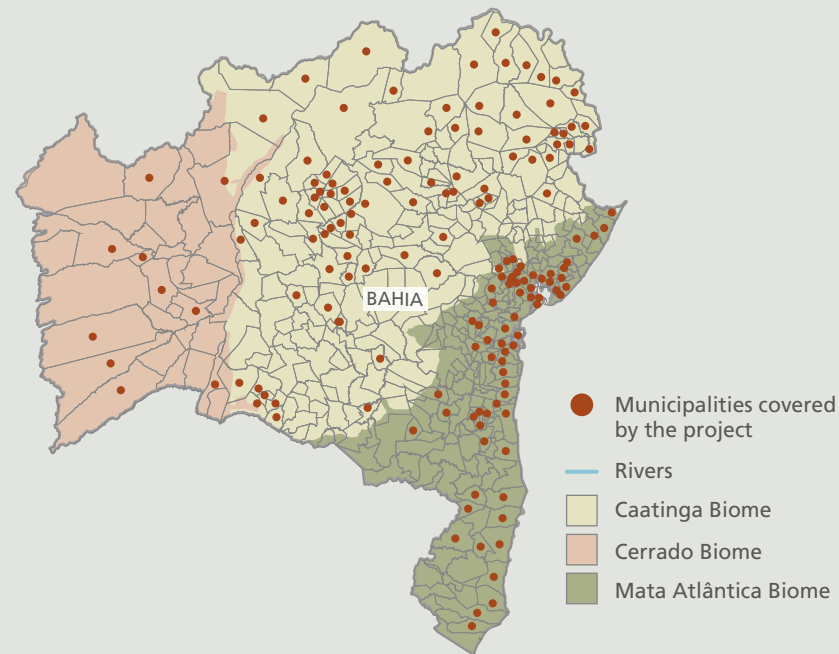
With the enactment of a new Forest Code (Act Nº. 12,651/2012), the Rural Environmental Registration (CAR) was instituted as a nationwide, electronic public record that is mandatory for all rural real estate, to integrate environmental information on rural properties and land, constituting a database to control, monitor, foster environmental and economic planning and combat deforestation.

In Bahia, the CAR has undergone implementation since 2012, under the name of the State Forest Registration of Rural Property (CEFIR), as established in State Law Nº. 10,431, of December 20, 2006. In addition to complying with requirements established by the new code, the CAR in this state includes requests for authorization related to environmental licensing and to grants in order to use water resources. The CAR aims to be the instrument through which all requests that require authorization from the environmental entity are requested and approved.

## THE PROJECT

The project is part of the state strategy to implement the CAR, as it aims to support registration of 136,000 rural properties of up to four government inspection modules, and also to improve infrastructure and train public agents. It is structure into two components: (i) improving infrastructure and training public agents to implement and manage the CAR; and (ii) promoting and supporting CAR registration.

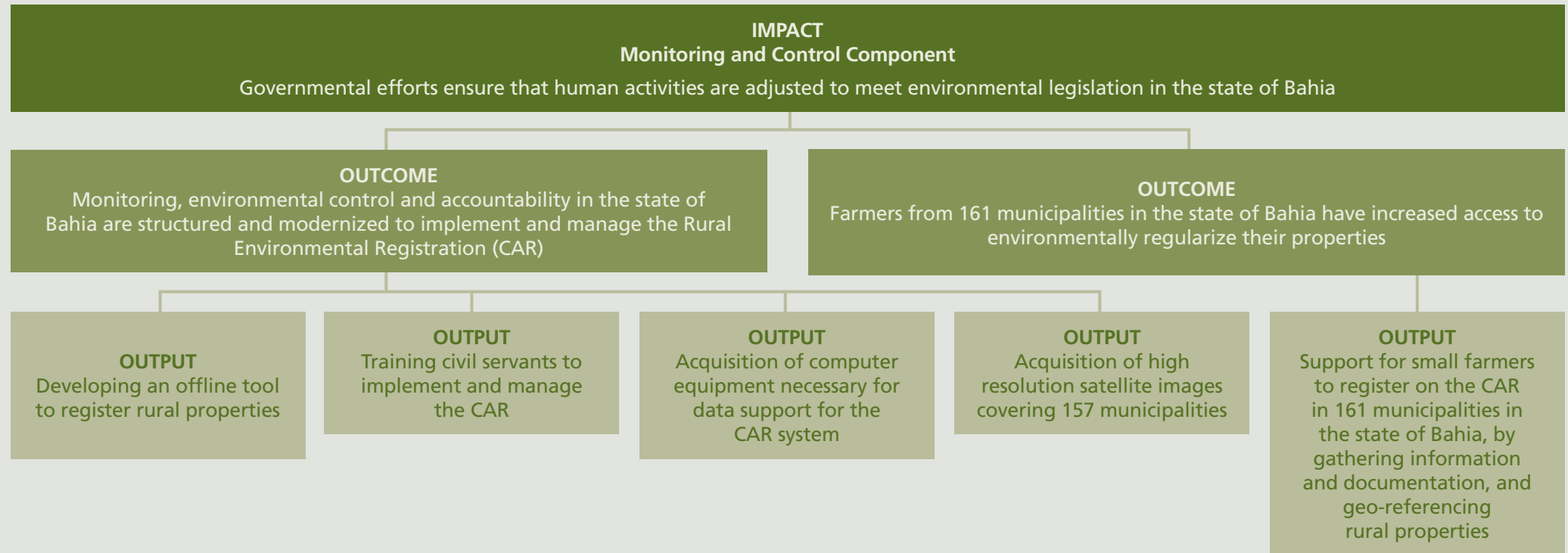
Support for the former component will include acquiring satellite images and computer equipment, developing an offline registration tool and training public agents, while support for the latter component will include contracting third party services to register rural property in up to four government inspection modules, in addition to communication and mobilization efforts.



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the “Monitoring and Control” component in the Logical Framework of the Amazon Fund:



# CAR MATO GROSSO DO SUL

CAR IN THE STATE OF  
MATO GROSSO DO SUL

**IMASUL**

<b>Project management</b>	Mato Grosso do Sul State Environmental Institute (IMASUL) < <a href="http://www.unisite.ms.gov.br/unisite/sites/imasul">www.unisite.ms.gov.br/unisite/sites/imasul</a> >
<b>Territorial scope</b>	Some 69 municipalities in the state, involving the Hinterland (Cerrado), Marshland (Pantanal) and Atlantic Forest biomes
<b>Beneficiaries</b>	Family farmers who are land owners with up to four government inspection modules and settlements located in rural zones throughout 69 municipalities in the state
<b>Objective</b>	To foster implementation of Rural Environmental Registration in the state of Mato Grosso do Sul
<b>Total cost of the project</b>	Up to R\$ 9,766,450.00 (US\$ 4,363,918.68)
<b>Amazon Fund support</b>	Up to R\$ 8,789,800.00 (US\$ 3,927,524.57)
<b>Estimated completion date</b>	<b>42 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.23.2014
<b>Date awarded</b>	11.2.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

The Forest Code (Act N°. 12,651/2012) defines the Rural Environmental Registration (CAR) as a nationwide, electronic public record that is mandatory for all rural real estate, to integrate environmental information on rural properties and lands, constituting a database to control, monitor, and foster environmental and economic planning and combat deforestation.

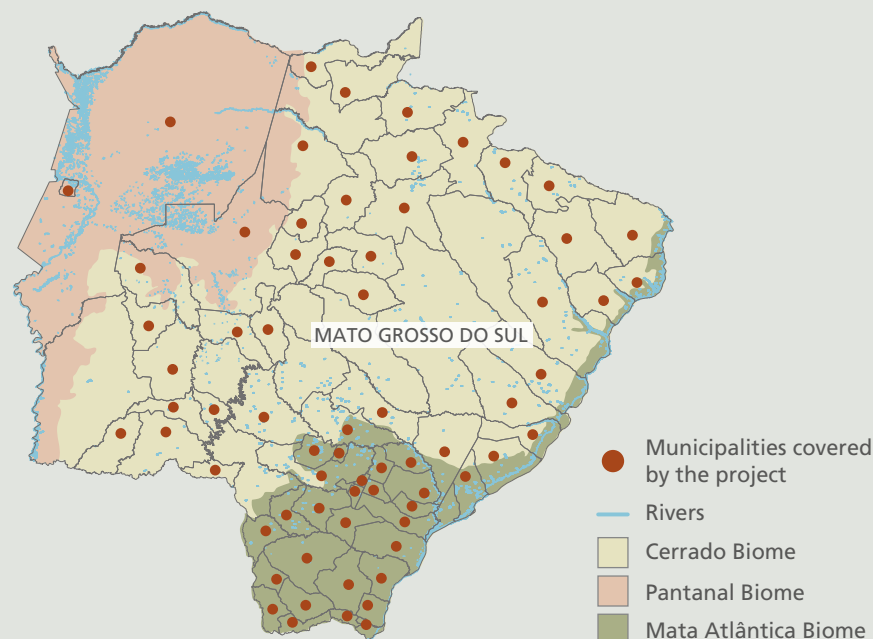
The state of Mato Grosso do Sul has developed initiatives to improve monitoring and environmental control, including investments in modernizing management systems and environmental licensing, and also the development of the IMASUL System for Environmental Registration and Strategic Information (SIRIEMA). This project, through support for CAR implementation, is a new and important step in the state's environmental regularization policy, working as a monitoring and support instrument to recover environmental damage on rural properties.

## THE PROJECT

The aim of the project is to promote implementation of the CAR in the state of Mato Grosso do Sul and is structured into two components: (i) improving infrastructure and training public agents to implement and manage the CAR; and (ii) promoting and supporting CAR registration and validation.

The target audience of the project comprises land owners or temporary owners (bailments) of rural property with up to four government inspection modules, state and federal rural settlements and the state of Mato Grosso do Sul, by training public agents and improving infrastructure.

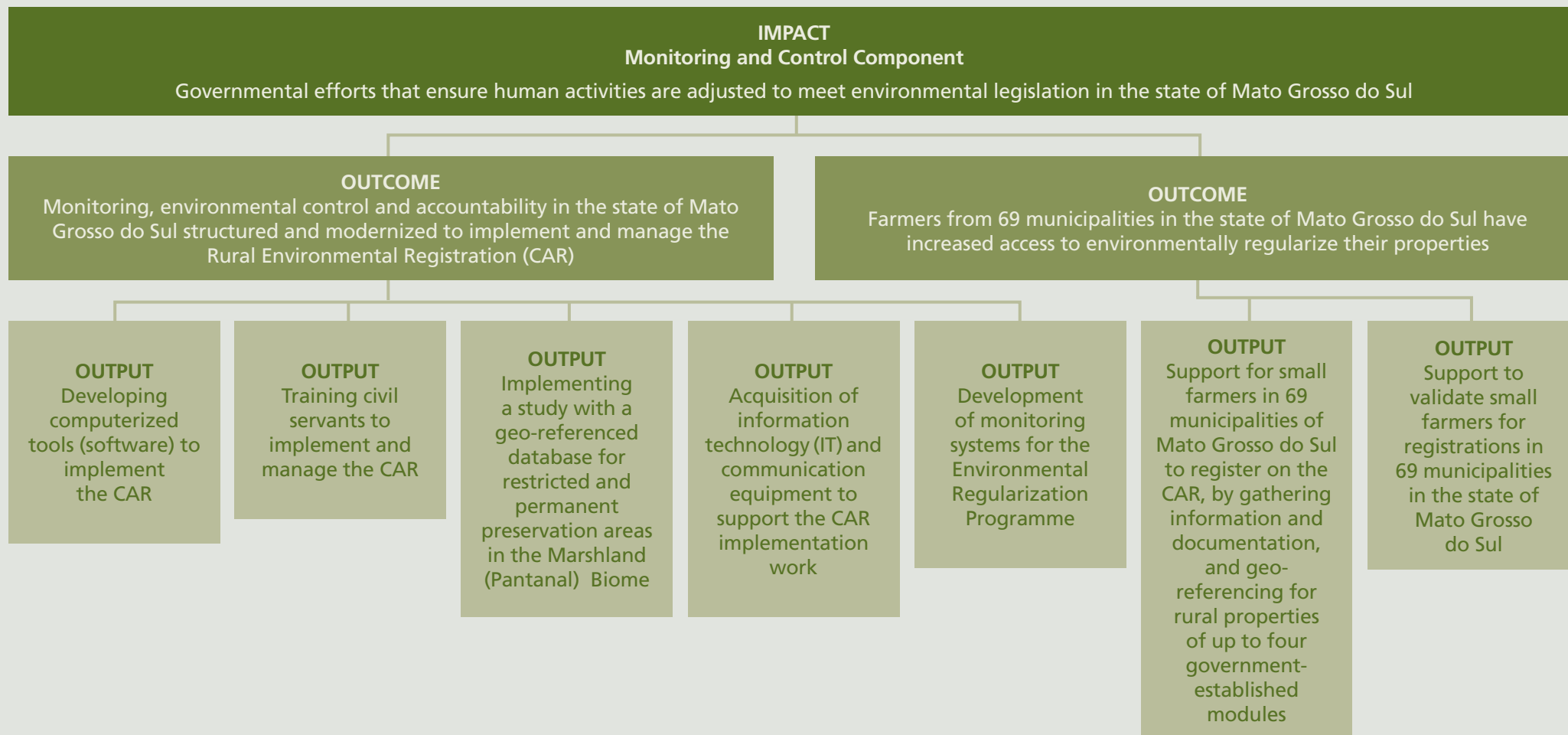
The project will include 69 municipalities of the 79 in the state of Mato Grosso do Sul. The 10 municipalities that were not included will be supported within the scope of the Hinterland (Cerrado) Forest Investment Programme (FIP).



Source: Elaborated by GIZ, based on data from the BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the “Monitoring and Control” component in the Logical Framework of the Amazon Fund:



# CAR RORAIMA

## CAR IN THE STATE OF RORAIMA

### FEMARH-RR

<b>Project management</b>	Roraima State Foundation for the Environment and Water Resources (FEMARH) <www.rr.gov.br>
<b>Territorial scope</b>	All 15 municipalities in the state of Roraima
<b>Beneficiaries</b>	Small land owners or family temporary-owners of rural properties (up to four government inspection modules) which develop agro-forestry and cattle-raising activities, including agrarian reform settlements in the state of Roraima, as well as the state of Roraima itself, through training and improving infrastructure, adjusting legal aspects and preparing the State Plan to Recover Permanent Preservation Areas and the Legal Reservation
<b>Objective</b>	To help implement the Rural Environmental Registration in the state of Roraima
<b>Total cost of the project</b>	Up to R\$ 11,390,000.00 (US\$ 4,585,530.82)
<b>Amazon Fund support</b>	Up to R\$ 10,820,500.00 (US\$ 4,356,254.26)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.4.2014
<b>Date awarded</b>	-
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%



## CONTEXTUALIZATION

The Forest Code (Act N°. 12,651/2012) defines the Rural Environmental Registration (CAR) as a nationwide, electronic public record that is mandatory for all rural real estate, to integrate environmental information on rural properties and land, constituting a database to control, monitor, foster environmental and economic planning and combat deforestation.

The project represents a new milestone in environmental regularization policy in the state of Roraima, as an instrument to help decrease environmental damage and basis on which to recover degraded areas on rural properties.

## THE PROJECT

The aim of the project is to help implement the CAR in the state of Roraima and is structured into three components: (i) adjusting the state legal framework and preparing the State Plan to Recover Permanent Preservation Areas and Legal Reservation; (ii) improving infrastructure and training public agents to implement and manage the CAR; and (iii) promoting and supporting CAR registration.

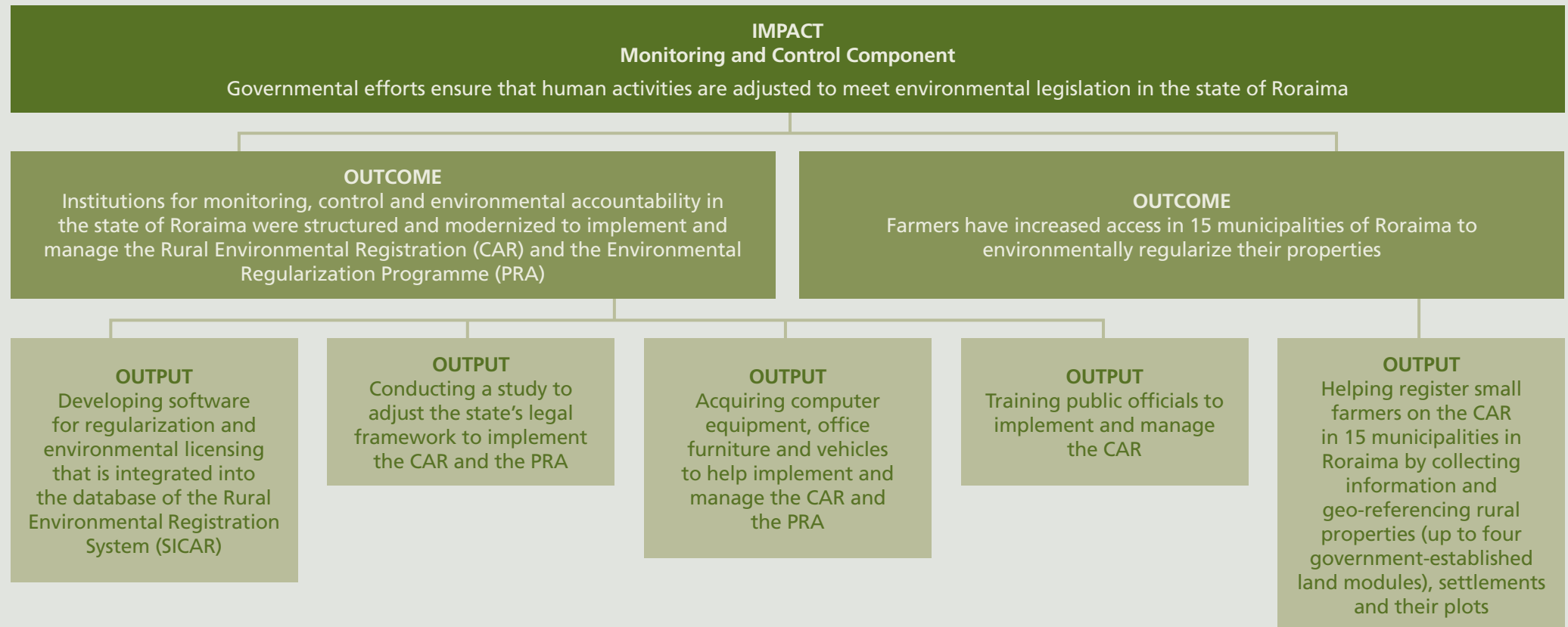
The target public for the project consists of: (i) small land owners or family temporary-owners (bailments) of rural properties (up to four government inspection modules) who develop agro-forestry and cattle-raising activities, including agrarian reform settlements in the 15 municipalities in the state of Roraima; and (ii) the Roraima state itself, through training and improving infrastructure, adjusting the legal framework and preparing the State Plan to Recover Permanent Preservation Areas and Legal Reservation.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the “Monitoring and Control” component in the Logical Framework of the Amazon Fund:



# BOMBEIROS RORAIMA

RORAIMA  
FIREFIGHTERS

**CBMRR**

<b>Project management</b>	The State of Roraima/Military Firefighters in the State of Roraima (CBMRR) <www.bombeiros.rr.gov.br>
<b>Territorial scope</b>	The state of Roraima
<b>Beneficiaries</b>	The population in the state of Roraima
<b>Objective</b>	To improve the ability to prevent, monitor and combat forest fires and unauthorized burn-offs in the state of Roraima
<b>Total cost of the project</b>	R\$ 12,800,000.00 (US\$ 5,813,953.48)
<b>Amazon Fund support</b>	<b>R\$ 12,800,000.00 (US\$ 5,813,953.48)</b>
<b>Estimated completion date</b>	<b>18 months</b> (from the date the contract was signed)

## Progress of the project

<b>Date approved</b>	6.17.2014
<b>Date awarded</b>	-
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

## CONTEXTUALIZATION

Forest fires cause great harm to biodiversity, to the hydrologic cycle and to the carbon cycle in the atmosphere, which results in significant economic losses, costs and negative externalities to society. These fires, together with converting forest areas for agriculture or cattle-raising and timber exploration, are among the main causes of deforestation.

In the state of Roraima, between 2000 and 2010, the total area affected by fires was 3,062 km<sup>2</sup>. Of this area, the source of approximately 97% was fires caused by deforestation in forest areas.

Related to the ability to prevent and combat forest fires and illegal burn-offs in the state, the Military Firefighters in the State of Roraima (CBMRR) currently have a significant lack of vehicles, equipment and material to carry out their activities. Additionally, the CBMRR have made demands to increase the efficiency and effectiveness of their activities, such as boosting the technical capacity of their management body and their ability to plan, coordinate and monitor.

## THE PROJECT

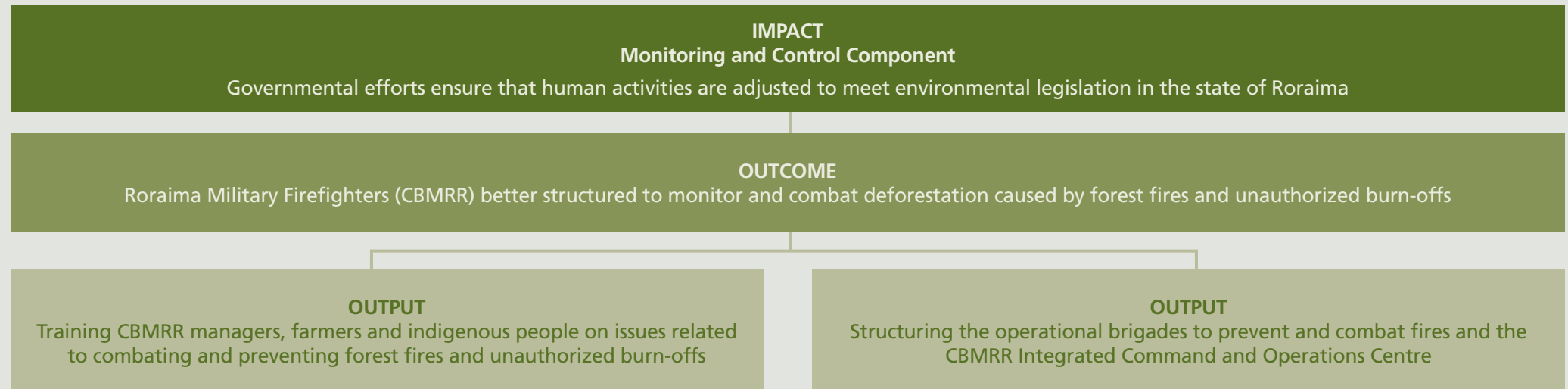
The aim of the project is to improve the capacity to prevent, monitor and combat forest fires and unauthorized burn-offs in the state of Roraima and is structured into two components: (i) structuring the Integrated Command and Operations Center, to be implemented at the CBMRR's general headquarters; and (ii) purchasing vehicles, equipment and support material to prevent and fight forest fires so as to equip the CBMRR's operational structure.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the “Monitoring and Control” component in the Logical Framework of the Amazon Fund:



PROJECTS WITH MUNICIPALITIES

# SEMEANDO NOVOS RUMOS EM COTRIGUAÇU

PLANTING NEW DIRECTIONS  
IN COTRIGUAÇU

**Municipality of Cotriguaçu**

<b>Project management</b>	Municipality of Cotriguaçu, in the state of Mato Grosso <www.cotriguacu.mt.gov.br>
<b>Territorial scope</b>	Municipality of Cotriguaçu
<b>Beneficiaries</b>	Population in the municipality of Cotriguaçu
<b>Objective</b>	To help strengthen environmental management in the municipality of Cotriguaçu by: (i) constructing and physically structuring the Environment Municipal Secretariat; (ii) recovering degraded permanent preservation areas in rural properties of up to four government inspection modules and those in the surrounding areas of bodies of water in public areas; and (iii) implementing demonstrative units to recover and manage pastures
<b>Total cost of the project</b>	R\$ 2,038,426.00 (US\$ 916,640.88)
<b>Amazon Fund support</b>	Up to R\$ 1,981,511.00 (US\$ 891,047.30)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	7.22.2014
<b>Date awarded</b>	12.2.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%



## CONTEXTUALIZATION

The municipality of Cotriguaçu was founded in 1991. It is located in the northeast of the state of Mato Grosso, in an area that borders on the southern region of the state of Amazonas. It is an area that is affected by the BR-163 Highway (Cuiabá-Santarém) and the future hydroelectric power plants in the Aripuanã River Basin. It covers an area of 9,124 km<sup>2</sup> and has a population of 14,983 inhabitants.

Cotriguaçu has approximately 80% native vegetation, due mainly to the existence of the Escondido Indigenous Land (from the Rikbaktsa ethnic group) as well as part of the Igarapés do Juruena State Park and Juruena National Park, which together occupy 32% of the territory in the municipality. Even though it is covered by a lot of vegetation, it was included on the list put together by the Ministry of the Environment in 2008, with priority municipalities to prevent, monitor and control of illegal deforestation in the Amazon.

## THE PROJECT

The project is structured into three components. The first aims to strengthen municipal environmental management by constructing and physically structuring the future headquarters for the Municipal Environment Secretariat, to be separate from the Municipal Secretariat of Economic Development, Agriculture, Environment and Land-Use Issues.

The second component aims to recover degraded permanent preservation areas in rural properties of up to four government inspection modules and in public areas located in the surrounding areas of bodies of water.

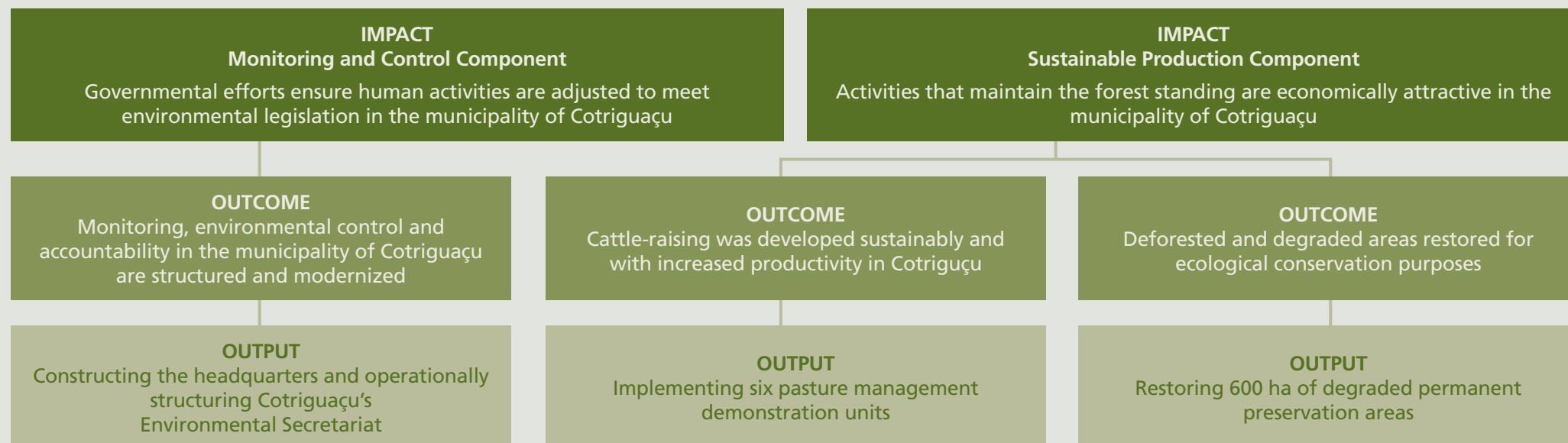
The third component aims to disclose, among rural land owners, techniques for restoring and sustainably managing pastures which were developed by the Brazilian Farming Research Company (EMBRAPA) by implementing six units that demonstrate good agricultural and cattle-raising practices.



Source: Elaborated by GIZ,  
based on data from the  
BNDES and IBGE.

## INTERVENTION LOGIC

The project is included in the components known as “Monitoring and Control” and “Sustainable Production” in the Logical Framework of the Amazon Fund:



# PROJECTS APPROVED UP TO 2013

# SEMENTES DO PORTAL – FASE 2

## PORTAL SEEDS – PHASE 2

### OURO VERDE INSTITUTE

<b>Project management</b>	Ouro Verde Institute <www.ouroverde.org.br>
<b>Territorial scope</b>	Eight municipalities in the region known as the Portal of the Amazon, in the extreme north of the state of Mato Grosso: Apicás, Alta Floresta, Carlinda, Colíder, Nova Canaã do Norte, Nova Guarita, Nova Santa Helena, Terra Nova do Norte
<b>Beneficiaries</b>	Family farmers in the state of Mato Grosso
<b>Objective</b>	To foster the recovery of degraded areas and strengthen family farming in the territory known as the Portal of the Amazon, in the state of Mato Grosso, by implementing and consolidating agro-forestry systems, through planting and enrichment of agro-forestry systems, structuring commercialization channels for products and seeds, as well as conducting research
<b>Total cost of the project</b>	Up to R\$ 16,086,000.00 (US\$ 7,213,452.91)
<b>Amazon Fund support</b>	Up to R\$ 16,086,000.00 (US\$ 7,213,452.91)
<b>Estimated completion date</b>	60 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.1.2013
<b>Date awarded</b>	12.5.2013
<b>Total amount disbursed</b>	R\$ 3,002,507.14 (US\$ 1,294,166.72)
<b>Total amount disbursed in relation to Amazon Fund support</b>	19%

## ACTIVITIES CONDUCTED

The project provided support to plant more than 210 hectares of agro-forestry systems to environmentally recover degraded areas as well as agricultural and forestry production, making approximately 13 tons of seeds available.

It also supported the sales of products obtained from agro-forestry systems by creating a sales network and holding fairs in the municipalities of Santa Helena and Apiacás. The project developed marketing schemes for the National Supply Company (CONAB) in three municipalities and arranged for the farmers to participate in the public call-to-bid for school meals.

Regarding the consolidation of the Seeds Network, it mapped out seed trees and conducted the botanical identification of 106 species. A cooperative is being created to formalize the network of local producers.

Research to improve knowledge of the agro-forestry economy has commenced with the participation of nine researchers, in partnership with the Luiz de Queiroz College of Agriculture (ESALQ) of the University of São Paulo (USP), and the University of the State of Mato Grosso (UNEMAT).

# SOCIOBIODIVERSIDADE PRODUTIVA NO XINGU

## PRODUCTIVE SOCIO-BIODIVERSITY IN XINGU

**ISA**

<b>Project management</b>	Socioenvironmental Institute (ISA) <www.socioambiental.org>
<b>Territorial scope</b>	The Xingu River Basin, covering 11 municipalities in the state of Mato Grosso and two in the state of Pará
<b>Beneficiaries</b>	The population in the Amazon Biome
<b>Objective</b>	To provide support aimed at structuring and strengthening the value chains for socio-biodiversity in the Xingu basin, including forest seeds and saplings, rubber, Brazil nuts, souari nuts (pequi) and fruit together with the indigenous and extraction populations, and the family farmers, in order to improve the standards of living for these populations and increase sustainable agro-forestry and extraction production
<b>Total cost of the project</b>	R\$ 8,915,396.00 (US\$ 3,802,036.76)
<b>Amazon Fund support</b>	Up to R\$ 8,023,856.00 (US\$ 3,421,832.91)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.3.2013
<b>Date awarded</b>	2.20.2014
<b>Total amount disbursed</b>	R\$ 1,824,765.23 (US\$ 817,364.04)
<b>Total amount disbursed in relation to Amazon Fund support</b>	23%



## ACTIVITIES CONDUCTED

The Xingu Seeds Network, in partnership with the University of the State of Mato Grosso (UNEMAT), established a laboratory to analyze native seeds. During the XI General Meeting of the Xingu Seeds Network, guidelines were launched to organize experience acquired and provide orientation for collecting, processing and storing native seeds (<http://sementesdoxingu.org.br/site/publicacoes/>).

The IV Meeting of Seed Collectors from the Xingu National Park was held as well as other exchanges of experience within the scope of the project, aiming to share local knowledge on the production of forest seeds and ecological restoration.

A water collection system was implemented on the Marãiwatsédé Indigenous Land with a semi-artesian well built to supply a water tank of 10,000 liters using solar energy for pumping water.

The fruit pulp plant of the Our Lady of the Assumption Association for Education and Social Assistance (ANSA) received investments through the purchase of equipment and material to improve the operation of the rapid freezing tunnel in order to ensure the quality of the fruit pulp.

A traceability test was also conducted for the honey produced by the indigenous people from the Xingu Indigenous Land Association (ATIX), in the Xingu National Park.

# PESCA SUSTENTÁVEL

## SUSTAINABLE FISHING

**WWF – Brazil**

<b>Project management</b>	WWF – Brazil <www.wwf.org.br>
<b>Territorial scope</b>	Municipalities of Manuel Urbano, Feijó and Tarauacá, in the state of Acre
<b>Beneficiaries</b>	Some 60 local fishermen and close to 300 river-dwelling families that will take part in the community surveillance system for the lakes
<b>Objective</b>	To foster managing measures aligned with fishing accords to reduce the degradation of aquatic ecosystems by establishing sustainable economic alternatives to deforestation in the state of Acre
<b>Total cost of the project</b>	R\$ 3,205,943.00 (US\$ 1,368,540.51)
<b>Amazon Fund support</b>	Up to R\$ 3,205,943.00 (US\$ 1,368,540.51)
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)

### Progress of the project

<b>Date approved</b>	12.30.2013
<b>Date awarded</b>	4.17.2014
<b>Total amount disbursed</b>	R\$ 775,932.21 (US\$ 345,073.47)
<b>Total amount disbursed in relation to Amazon Fund support</b>	24%

## ACTIVITIES CONDUCTED

Within the scope of the project, a study was developed to economically and ecologically assess the production chain and its expansion potential in 15 lakes, which gave rise to guidelines on the arapaima management operations and production costs in these locations.

The map to locate lakes and communities was designed, while spillways and aquatic vegetation were cleaned, making it possible to conduct the inventory of the Arapaima (known in Brazil as the pirarucu fish) population from 12 lakes in the municipalities of Feijó and Tarauacá.

In addition, supplies and equipment were purchased for the pirarucu fish management operations, while training and refresher courses were offered to fishermen in Manoel Urbano, Feijó and Tarauacá. In these three municipalities, processes to construct, submit and regulate fishing accords have been established. Fishermen colonies and communities were mobilized to debate and draw up fishing accords, through participatory action planning.

# QUINTAIS AMAZÔNICOS

## AMAZON BACKYARDS

**Rioterra**

<b>Project management</b>	Center for Studies on Culture and the Environment in the Amazon (Rioterra) <www.rioterra.org.br>
<b>Territorial scope</b>	Municipalities of Machadinho d'Oeste, Cujubim and Itapuã do Oeste in the state of Rondônia
<b>Beneficiaries</b>	Small family farmers
<b>Objective</b>	To provide support for family farmers and those in Agrarian Reform settlements in the state of Rondônia, residents in the municipalities of Itapuã do Oeste, Cujubim and Machadinho d'Oeste, in order to: (i) enroll rural properties in the Rural Environmental Registration; and (ii) carry out planting and conduct research on agro-forestry systems to recover altered or degraded areas in legal reserves and permanent preservation areas
<b>Total cost of the project</b>	R\$ 9,117,000.00 (US\$ 4,032,464.94)
<b>Amazon Fund support</b>	R\$ 9,117,000.00 (US\$ 4,032,464.94)
<b>Estimated completion date</b>	48 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	7.30.2013
<b>Date awarded</b>	12.4.2013
<b>Total amount disbursed</b>	R\$ 3,452,687.09 (US\$ 1,390,293.62)
<b>Total amount disbursed in relation to Amazon Fund support</b>	38%

## ACTIVITIES CONDUCTED

Some 621 visits for technical assistance and rural extension (ATER) were made to 551 families. One hundred of such families enrolled their properties on the Rural Environmental Registration's (CAR) government platform.

New equipment was purchased for the laboratory for selection and micropropagation of saplings in the municipal nursery of Itapuã do Oeste. Additionally, some 250,000 fruit and forest species saplings were produced to recover areas on small properties owned by farmers.

In addition, the project provided support to develop two courses to train 61 people on nurseries and sapling production. Training included subjects such as production diversification through agro-forestry systems, managing rural properties, environmental legislation and regulation, as well as how to enter new market segments.

# MAMIRAUÁ

## MAMIRAUÁ

### IDS

**Project management**

Mamirauá Sustainable Development Institute (IDS)  
<www.mamiraua.org.br>

**Territorial scope**

Municipality of Tefé; Mamirauá Sustainable Development Reserve (RDSM) – municipalities of Uarini, Fonte Boa and Maraã; Amanã Sustainable Development Reserve (RDSA) – municipalities of Maraã, Barcelos and Coari

**Beneficiaries**

Local communities in Mamirauá and Amanã Sustainable Development Reserves, scientific community, protected area managers and other communities benefiting from the know-how produced within the scope of the project

**Objective**

To support efforts for participative management in the Mamirauá and Amanã Sustainable Development Reserves, with research, developing and disseminating know-how in the following areas: sustainable farming and cattle-raising, sustainable timber forest management, sustainable non-timber forest management, environmental education, environmental protection and monitoring

**Total cost of the project**

R\$ 8,504,678.54 (US\$ 4,068,834.81)

**Amazon Fund support**

Up to R\$ 8,504,678.54 (US\$ 4,068,834.81)

**Estimated completion date**

36 months (from the date the contract was signed)

**Progress of the project****Date approved**

12.18.2012

**Date awarded**

8.7.2013

**Total amount disbursed**

R\$ 2,159,918.84 (US\$ 928,746.37)

**Total amount disbursed in relation to Amazon Fund support**

25%



## ACTIVITIES CONDUCTED

To promote economically attractive agricultural practices that cause less impact on the environment, the following activities were performed: (i) exchange of experience with family farming and agro-forestry systems between 41 students from the region and seven farmers from other states; (ii) training 27 farmers on subjects such as planting techniques and implementing agro-forestry systems experimental areas; and (iii) monthly technical advice on implementing and managing agro-forestry systems, serving 12 families, and sustainable livestock management, serving 32 families.

With regards to community timber management, the following activities, among others, were conducted: training 65 individuals and collecting over 10,000 seeds from seven tree species that will be used to produce saplings to reforest in some research on “The recovery of species in degraded areas.”

An exchange of information was carried out with the extraction industry to learn about Andiroba oil extraction.

Additionally, some 67 workshops were held to raise awareness of the environmental and socioeconomic importance of forests, with an audience of 791 people.

# PROGRAMA DE QUALIFICAÇÃO DA GESTÃO AMBIENTAL

## ENVIRONMENTAL MANAGEMENT QUALIFICATION PROGRAMME

**IBAM**

<b>Project management</b>	Brazilian Institute of Municipal Administration (IBAM) <www.ibam.org.br>
<b>Territorial scope</b>	Municipalities in the Amazon Biome
<b>Beneficiaries</b>	Mainly civil servants in the municipal administration focusing on local environmental management, with the possibility of reaching the 529 municipalities in the Amazon Biome, spread across the nine states of the Legal Amazon (Acre, Amapá, Amazonas, Maranhão, Mato Grosso, Pará, Rondônia, Roraima and Tocantins)
<b>Objective</b>	To help strengthen environmental management in municipalities in the Amazon Biome by offering training and technical assistance; disseminating know-how and information throughout the network; and stimulating innovation as well as promoting dialogue with other sectors of the government and society in general, within the scope of public environmental policies
<b>Total cost of the project</b>	R\$ 18,853,482.32 (US\$ 9,019,941.78)
<b>Amazon Fund support</b>	R\$ 18,853,482.32 (US\$ 9,019,941.78)
<b>Estimated completion date</b>	48 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.18.2012
<b>Date awarded</b>	2.5.2013
<b>Total amount disbursed</b>	R\$ 3,583,717.09 (US\$ 1,618,518.37)
<b>Total amount disbursed in relation to Amazon Fund support</b>	19%

## ACTIVITIES CONDUCTED

Various mobilization activities were carried out aimed at including the programme in its coverage region in order to promote municipal environmental management practices. Several partnerships were established with the: (i) Green Municipalities Programme (PMV), Federation of Associations of the State of Pará Municipalities (FAMEP) and Imazon, in Pará; (ii) the State Secretariat of the Environment and Federation of Municipalities of Amapá; (iii) Sustainable Municipalities Programme (PMS) and Mato Grosso Association of Municipalities (AMM); (iv) the State Secretariat of the Environment and Amazon Institute for Environmental Research (IPAM) in Acre; and (v) Amazon Conservation Team (ECAM) in Rondônia.

These initiatives resulted in the adhesion of 146 municipalities, of which 59 are already registered in the Programme Portal.

The conceptual and pedagogical framework of the training programme was prepared, and content is being developed. Each of the seven modules will address theoretical foundations, technical information and guidance on best practices to be implemented for the qualification of environmental management in the municipality, especially developing skills and abilities required to control deforestation.

The portal with on-line technical and legal guidelines is operational. Within two months of operation, some 35 opinions were forwarded, and 128 other documents were consulted.

# PEQUENOS PROJETOS ECOSSOCIAIS NA AMAZÔNIA

SMALL ECO-SOCIAL  
PROJECTS IN THE AMAZON

**ISPN**

<b>Project management</b>	Society, Population and Nature Institute (ISPN) <www.ispn.org.br>
<b>Territorial scope</b>	States of Mato Grosso, Tocantins and Maranhão, limited to the Amazon Biome
<b>Beneficiaries</b>	Family farmers, traditional people and communities in the Amazon Biome
<b>Objective</b>	To help conduct four public calls-to-bid to select and finance low-cost socioenvironmental projects for family farmers, traditional people and communities in areas within the Amazon Biome in the states of Mato Grosso, Tocantins and Maranhão
<b>Total cost of the project</b>	R\$ 15,755,179.21 (US\$ 7,919,961.40)
<b>Amazon Fund support</b>	R\$ 12,843,876.04 (US\$ 6,456,480.17)
<b>Estimated completion date</b>	<b>60 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	7.3.2012
<b>Date awarded</b>	9.25.2012
<b>Total amount disbursed</b>	R\$ 4,780,532.15 (US\$ 2,090,346.05)
<b>Total amount disbursed in relation to Amazon Fund support</b>	<b>37%</b>

## ACTIVITIES CONDUCTED

The project aims to provide support to hold four public calls-to-bid, totaling R\$ 1.5 million each, for direct investment in small environmental projects aimed at family farmers, traditional people and communities.

Three public calls-to-bid were conducted and 59 subprojects were selected, of which 38 are already contracted, representing a universe of 3,552 families benefiting. These projects support a range of production chains, such as açai berries, beekeeping and meliponiculture, babassu, Brazil nuts, cassava and cassava flour, saplings and seeds, palms, pequis, bacuri, medicinal plants, fruit pulp and agro-forestry systems. It also supports handicrafts, ecological management of pastures, and sanitary regularization of community-based agribusinesses.

The Society, Population and Nature Institute (ISPN) also promoted the following activities: (i) regional workshops to disseminate the calls-to-bid; (ii) management and technical training to implement small eco-social projects; and (iii) exchange of technical experience with those benefiting from the calls-to-bid visiting the projects.

# FUNDAÇÃO BANCO DO BRASIL – FUNDO AMAZÔNIA

BANCO DO BRASIL  
FOUNDATION –  
AMAZON FUND

**FBB**

<b>Project management</b>	Banco do Brasil Foundation (FBB) <www.fbb.org.br>
<b>Territorial scope</b>	Amazon Biome
<b>Beneficiaries</b>	Traditional communities in the Amazon [indigenous groups, remaining slave-communities (quilombos), rubber tappers and river-dwellers that survive off fishing and family farming etc.]; family farmers, rural workers involved in settlement projects, low-income population or those at risk of social exclusion in the Amazon Biome region; as well as collective and/or solidarity economy undertakings, non-profit institutions governed under private law, public administration entities directly or indirectly linked to municipal, state or federal governments, besides research support foundations
<b>Objective</b>	To provide support to projects that make it feasible to develop production activities in accordance with conservation and the sustainable use of the Amazon Biome
<b>Total cost of the project</b>	R\$ 25,000,000.00 (US\$ 12,584,314.91)
<b>Amazon Fund support</b>	R\$ 15,000,000.00 (US\$ 7,550,588.94)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	5.15.2012
<b>Date awarded</b>	6.18.2012
<b>Total amount disbursed</b>	R\$ 9,521,446.80 (US\$ 4,470,201.03)
<b>Total amount disbursed in relation to Amazon Fund support</b>	63%



## ACTIVITIES CONDUCTED

Some 22 subprojects were selected, of which 17 are already receiving support. These subprojects are under implementation, having already benefited 5,862 direct participants from 40 municipalities in seven states.

In support for indigenous ethnic groups, the following ongoing efforts can be highlighted: development of the production chain for organic Brazil nuts in communities linked to Gavião, Arara, Cinta Larga and Zóro ethnic groups; support for Kayapó communities by enabling the storage of Brazil nuts by purchasing raw materials from Kayapó collectors; and construction of 28 dams to develop fishery activities associated with agro-forestry systems on the Kaxinawá/Ashaninka indigenous land along the Breu River and on the Kampa indigenous land along the Amônia River.

Family farmers also received support through initiatives which include the following: development of organic agriculture through production processes that avoid using pesticides; support for the babassu production chain by setting up a small agribusiness enterprise in a settlement; implementing a nursery for fruit and native saplings; support for production, processing and agricultural distribution in settlement projects; structuring the production chain for organic guarana berries; developing the production chain for organic and shade-grown coffee; developing the honey chain, training beekeepers, implementing the honey extraction unit and obtaining the state inspection seal; as well as implementing a fruit pulp processing plant.

# ASSENTAMENTOS SUSTENTÁVEIS NA AMAZÔNIA

## SUSTAINABLE SETTLEMENTS IN THE AMAZON

**IPAM**

<b>Project management</b>	Amazon Environmental Research Institute (IPAM) < <a href="http://www.assentamentosustentavel.org.br">www.assentamentosustentavel.org.br</a> >, < <a href="http://www.ipam.org.br">www.ipam.org.br</a> >
<b>Territorial scope</b>	The western region of the state of Pará, covering the municipalities of Anapu, Pacajá, Senador José Porfírio, Mojuí dos Campos and Aveiros
<b>Beneficiaries</b>	Some 2,769 families settled in the Agrarian Reform of the Institute of Colonization and Agrarian Reform (INCRA), serving approximately 13,845 people
<b>Objective</b>	To provide support to develop a demonstrative experience in the INCRA settlements, in the western region of the state of Pará, on sustainable production besides implementing payment for environmental services provided by families committed to reducing deforestation
<b>Total cost of the project</b>	R\$ 25,482,194.37 (US\$ 13,703,051.39)
<b>Amazon Fund support</b>	R\$ 24,939,200.37 (US\$ 13,411,056.32)
<b>Estimated completion date</b>	60 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.29.2011
<b>Date awarded</b>	2.14.2012
<b>Total amount disbursed</b>	R\$ 12,478,341.15 (US\$ 5,621,868.54)
<b>Total amount disbursed in relation to Amazon Fund support</b>	50%

## ACTIVITIES CONDUCTED

To initially mobilize the project, two courses on managing cooperatives and community associations were held with the participation of more than 60 leaders from settlements and other social agents dedicated to participatory project planning.

Geo-referencing was conducted on 2,594 farms, corresponding to an area of 268,955 hectares, and 876 rural environmental registration (CAR) certificates were delivered to resident farmers in reference settlements and in the groups receiving payments for environmental services (PSA), corresponding to 68,000 hectares of registered area.

Some 650 families began receiving Technical Assistance and Rural Extension (ATER). These families are already receiving funds for implementing 1,862 agroecological microenterprises, defined according to each family's calling and intentions. Market research on products from family farms in western Pará was also offered in partnership with the Federal Rural University of the Amazon. From the families benefiting, some 350 families in the Transamazon and Xingu regions started receiving payments for environmental services (PSA).

In addition, five sustainable management workshops and a seminar on production improvements were held.

# FUNDO KAYAPÓ

## KAYAPÓ FUND

### FUNBIO

<b>Project management</b>	Brazilian Biodiversity Fund (FUNBIO) <www.funbio.org.br>
<b>Territorial scope</b>	Kayapó, Menkragnoti, Baú and Badjonkôre indigenous land, in the southern region of the state of Pará; and Capoto-Jarina indigenous land, in the northern region of the state of Mato Grosso
<b>Beneficiaries</b>	Kayapó indigenous communities
<b>Objective</b>	To provide support to Kayapó organizations aimed at sustainable production activities, strengthening institutions, preventing deforestation, conserving biodiversity and territorial protection by implementing a long-term financial and operational mechanism, known as the Kayapó Fund
<b>Total cost of the project</b>	R\$ 23,300,000.00 (US\$ 12,640,373.24)
<b>Amazon Fund support</b>	R\$ 16,900,000.00 (US\$ 9,168,339.38)
<b>Estimated completion date</b>	72 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	6.21.2011
<b>Date awarded</b>	11.21.2011
<b>Total amount disbursed</b>	R\$ 7,350,597.36 (US\$ 3,903,467.94)
<b>Total amount disbursed in relation to Amazon Fund support</b>	43%
<b>Financial amount from Conservation International (CI)</b>	R\$ 7,196,000.00 (US\$ 4,000,000.00)

## ACTIVITIES CONDUCTED

A diagnosis was held on the standard of living and physical integrity of the Kayapó Indigenous Land to define a baseline.

Two projects were selected in its first call-to-bid in 2013. A total of R\$ 434,000 was earmarked for the Protected Forest Association and the Raoni Institute projects. The projects are underway and received follow-up visits in 2014.

Also in 2014, a second call-to-bid was issued and proposals received are at the stage of analysis, for which R\$ 1.8 million is being made available.

# CONHECER PARA CONSERVAR

KNOWING TO PRESERVE

**MUSA**

<b>Project management</b>	The Amazon Museum (MUSA) <www.museudaamazonia.org.br>
<b>Territorial scope</b>	Municipality of Manaus, in the state of Amazonas
<b>Beneficiaries</b>	The population of Manaus and neighbouring cities, national and foreign tourists, university students, public and private school students and teachers in the state of Amazonas, other parties interested in socioenvironmental issues
<b>Objective</b>	To implement the MUSA and a training center on the Água Branca Settlement, in Manaus, aimed at disseminating know-how that can help add value to and conserve the Amazon's natural resources, as well as its cultural heritage, by means of an innovative model for visiting the forest
<b>Total cost of the project</b>	R\$ 8,454,421.00 (US\$ 4,528,588.02)
<b>Amazon Fund support</b>	R\$ 8,454,421.00 (US\$ 4,528,588.02)
<b>Estimated completion date</b>	42 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.30.2010
<b>Date awarded</b>	9.1.2011
<b>Total amount disbursed</b>	R\$ 8,454,421.00 (US\$ 4,116,583.49)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## ACTIVITIES CONDUCTED

The project has completed the construction of the house-workshop and the three observation stations planned for the Museum of the Amazon (MUSA). One of the stations is already in use, working as a laboratory to develop research on butterflies and insects. The trails in the forest are also completed, as well as the observation tower, built of special steel. It has 242 steps and three platforms; the first is 14 meters high, the second 28 meters, and the last 42 meters high, above the treetops.

The training center has been completed and has already housed workshops, courses and training on agroecology and family farming. Some six courses have already been held at the Training Center, the latest dedicated to agroecological poultry breeding.

Regarding the museum, besides housing seminars at its headquarters, two new exhibitions were inaugurated in the exhibition tents: one dedicated to fishing techniques and cosmology of Baniwa and Tukano from the Alto Tiquié River; and another dedicated to plants, insects and animals (fish and frogs) in the Amazon that have terrestrial and aquatic life. In the last three years (2012, 2013 and 2014), the MUSA received over 100,000 visitors, and most of them were students from state and local public schools.

MUSA has also developed other efforts, such as the experimental nurseries for butterflies, insects, orchids and bromeliads, as well as snakes. There is also a weather station and a research tower.



# FUNDO DEMA

## DEMA FUND

### FASE

<b>Project management</b>	Federation of Organs for Social and Educational Assistance (FASE) <www.fase.org.br>
<b>Territorial scope</b>	Traditional communities in the state of Pará, focusing on the area affected by the Transamazon and BR-163 highways, as well as the region known as the Lower Amazon
<b>Beneficiaries</b>	Traditional communities in the Amazon: small producers, former-slave communities (quilombos) and indigenous people
<b>Objective</b>	To provide support to low-cost socioenvironmental projects by issuing eight calls-to-submission over three years
<b>Total cost of the project</b>	R\$ 9,646,983.00 (US\$ 5,800,603.09)
<b>Amazon Fund support</b>	R\$ 9,347,384.00 (US\$ 5,620,458.16)
<b>Estimated completion date</b>	60 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	3.15.2011
<b>Date awarded</b>	6.14.2011
<b>Total amount disbursed</b>	R\$ 4,843,622.00 (US\$ 2,310,932.44)
<b>Total amount disbursed in relation to Amazon Fund support</b>	52%

## ACTIVITIES CONDUCTED

Some seven public calls-to-submission were issued under the General DEMA, Pará Quilombola and the Xingu Indigenous funds. The purpose of the calls-to-submission is to provide support to small environmental projects that benefit family farmers, river-dwellers, former-slave (quilombos) and indigenous communities.

Three public calls-to-submission have been held by General DEMA Fund for small producers. The Amazon Fund has already released funds for 25 subprojects selected in the first public call-to-submission and 25 subprojects from the second. The third public call-to-submission is in the subproject selection phase. The maximum amount of support for each subproject is R\$ 30,000.

Another three public calls-to-submission were issued by DEMA Fund to support the quilombos in the state of Pará. The Amazon Fund has already released funds for eight subprojects of the first public call-to-submission, and three subprojects from the second. The third public call-to-submission is in the subproject selection phase. The maximum amount of support for each subproject is R\$ 24,000.

The first public call-to-submission for the Xingu Indigenous Fund was held, having selected four sub-projects, which are undergoing analysis for compliance with requirements to receive recourses. The maximum amount of support for each subproject is R\$ 22,000.

The sub-projects receiving support aim to strengthen several sustainable production chains, as well as recover degraded areas by implementing agro-forestry systems and offering training in sustainable activities.

# DISSEMINAÇÃO E APRIMORAMENTO DAS TÉCNICAS DE MANEJO FLORESTAL SUSTENTÁVEL

DISSEMINATION AND  
IMPROVEMENT OF SUSTAINABLE  
FOREST MANAGEMENT  
TECHNIQUES

IFT

<b>Project management</b>	Tropical Forest Institute (IFT) <www.ift.org.br>
<b>Territorial scope</b>	States of Pará, Amazonas and Rondônia
<b>Beneficiaries</b>	Workers in the timber and forest sector, as well as operators of heavy machinery, forest communities and small rural producers, government agents, engineers, auditors, administrators, researchers and forest students in high school and higher education
<b>Objective</b>	To provide support to expand the practice of sustainable forest management through training, raising the awareness of key players and workers, as well as applied research
<b>Total cost of the project</b>	R\$ 12,498,000.00 (US\$ 6,986,806.80)
<b>Amazon Fund support</b>	<b>R\$ 7,449,000.00 (US\$ 4,164,244.18)</b>
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.23.2010
<b>Date awarded</b>	4.15.2011
<b>Total amount disbursed</b>	<b>R\$ 7,449,000.00 (US\$ 3,760,360.16)</b>
<b>Total amount disbursed in relation to Amazon Fund support</b>	<b>100%</b>

## ACTIVITIES CONDUCTED

Within the scope of the project, some 1,984 people were trained in 131 courses. The courses were offered in two ways: on-site, in the Roberto Bauch Forest Management Center, in the municipality of Paragominas (PA) and off-site, in many locations, including communities living in extraction reserves and agencies from the forestry sector.

The courses offered covered a wide array of activities related to forest management, ranging from operational to management levels, such as: Forest Management and Exploration of Reduced Impact, Managing Extraction in Forest Management, Forest Management Techniques for Decision Makers, Principles of Forest Management and Certification FSC.

Another focus of the project was to raise the awareness of key players to implement good forest governance in the region through lectures and workshops. Thus, some 50 events were held, reaching an audience that exceeded 2,000 people.

Several activities were also developed to improve the scientific basis for forest management through research on several topics such as: biomass analysis and estimates for absolute carbon and assessing the damage caused by reduced impact exploration.

To disseminate technical information the institution produces in the forest management area, seven bulletins were drafted: three newsletters, two manuals and one set of guidelines.

# ÁREAS PROTEGIDAS DA AMAZÔNIA (ARPA) – FASE 2

## PROTECTED AREAS IN THE AMAZON – PHASE 2

### FUNBIO

<b>Project management</b>	Brazilian Biodiversity Fund (FUNBIO) <www.programaarpa.org.br>, <www.funbio.org.br>
<b>Territorial scope</b>	All the states in the Amazon Biome
<b>Beneficiaries</b>	The population residing and living in the surrounding areas; workers and institutions responsible for management; management councils; and municipalities involved in the territories of the protected areas (PA) that are served by the programme
<b>Objective</b>	To provide support to create and consolidate the PAs in the Amazon Biome, so as to assure conservation of the biodiversity and maintain the ecological processes and services in the region
<b>Total cost of the project</b>	R\$ 164,294,880.00 (US\$ 86,298,392.69)
<b>Amazon Fund support</b>	R\$ 20,000,000.00 (US\$ 10,505,305.17)
<b>Estimated completion date</b>	48 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.8.2009
<b>Date awarded</b>	4.22.2010
<b>Total amount disbursed</b>	R\$ 19,949,058.91 (US\$ 10,240,310.57)
<b>Total amount disbursed in relation to Amazon Fund support</b>	99.7%

## ACTIVITIES CONDUCTED

The consolidation of 95 protected areas (PA) was supported by developing management plans, holding meetings with PA management councils, territorial consolidation activities, designing and implementing protection plans, as well as purchasing basic equipment for its management.

Some ten PAs at a basic level and seven PAs at an advanced level were consolidated, which gives them access to resources from the Protected Areas Fund (FAP).

Within the scope of the creation of PAs, three environmental diagnoses were conducted for the Manicoré River, Aripuanã River and the Corda River Valley PAs; in addition, a social and environmental diagnosis of the Aripuanã River PA and a public consultation on the Riozinho do Rola PA were also performed. Moreover, from the support for the Amazon Legal Earth Programme, of the Ministry of Agrarian Development, the Ministry of the Environment, in 2014, received 5.46 million hectares, and the state of Rondônia more than one million hectares, of which a substantial part will be dedicated to sustainable use and environmental preservation.

Two calls-to-submission were designed to help integrate communities, covering 18 sustainable action plans and five action plans for indigenous people.

Aimed at training in the area of Management for Protected Areas, some 132 people participated in technical courses in partnership with the National Biodiversity Academy (ACADEBIO)/Chico Mendes Biodiversity Conservation Institute (ICMBio); a further 331 attended the ARPA procedures course; and 92 people participated in the Brazilian Congress of PAs. The distance education project from the Amazon Protected Areas Programme (ARPA) was also started.

In addition, improvements have been made to the program management tools, such as developing an offline version of the Program Management System (SISARPA); and the following activities were conducted: implementing standard specification models, contracting and procurement per lot; studies to enter into large-scale regional contracts; reorganizing the financial management system Cérebro (brain); updating the program site in three languages (Portuguese, Spanish and English); and implementing biodiversity monitoring protocols in 25 PAs.

# BOLSA FLORESTA

## FOREST ASSISTANCE PROGRAMME

### FAS

<b>Project management</b>	Sustainable Amazon Foundation (FAS) <www.fas-amazonas.org>
<b>Territorial scope</b>	15 state protected areas (PA) in the Amazon, covering close to 10 million hectares
<b>Beneficiaries</b>	PA populations covered by the project, increasing the number from 14 to 20 PAs by 2013
<b>Objective</b>	To foster control of deforestation and improve the standards of living for traditional populations residing in the state PAs in the Amazon
<b>Total cost of the project</b>	R\$ 29,934,645.00 (US\$ 17,358,448.83)
<b>Amazon Fund support</b>	R\$ 19,169,087.00 (US\$ 11,115,736.15)
<b>Estimated completion date</b>	60 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.24.2009
<b>Date awarded</b>	3.31.2010
<b>Total amount disbursed</b>	R\$ 19,166,347.89 (US\$ 9,246,202.62)
<b>Total amount disbursed in relation to Amazon Fund support</b>	99.9%



## ACTIVITIES CONDUCTED

With support from the project, some 15 state protected areas (PA) were served by the Forest Assistance Programme Income and Association components. A total of 1,099 subprojects were implemented to support income generation. These projects provide support to several production sectors, such as pirarucu fish farming, açai, Brazil nuts, oils and rubber tapping. The Forest Assistance Programme covers the equivalent of close to 10 million hectares.

River-dwellers and residents in the PAs that the project covers are responsible for managing 14 associations. They can debate and propose solutions, acquiring more and more representativeness within the discussions in the Forest Assistance Programme.

In this regard, some 786 support efforts were offered to residents associations, aimed at structuring, besides support to take part in meetings with management councils on the reserves, events and public debates of interest.

In addition, some 472 workshops were held for participative planning involving 26,866 participants. They were aimed at increasing the local capacity to organize, fostering the involvement of beneficiaries and creating an environment of commitment and efficiency in implementing planned activities, while respecting the concerns of residents and the situation at each location. Besides this, some 13 meetings were organized with PA leaders within the Forest Assistance Programme.

# BIODIVERSIDADE

## BIODIVERSITY

### UFPA and FADESP

<b>Project management</b>	Federal University of Pará (UFPA) and the Research Development and Support Foundation (FADESP) <www.portal.ufpa.br>
<b>Territorial scope</b>	Municipality of Belém, in the state of Pará
<b>Beneficiaries</b>	UFPA, scientific community, potential suppliers and companies in the Amazon Region that work with products that come from biodiversity, such as pharmaceuticals and herbicides, and their potential consumers
<b>Objective</b>	To expand UFPA's research infrastructure that is aimed at studying biodiversity, including: (i) building and structuring the Center for Advanced Studies on Biodiversity (CEABIO); and (ii) remodeling the Pharmaceutical Planning Laboratory and the Cellular and Molecular Neuro-chemical Laboratory, as well as buying and installing lab equipment for research in biotechnology
<b>Total cost of the project</b>	R\$ 4,639,706.98 (US\$ 2,459,556.28)
<b>Amazon Fund support</b>	R\$ 4,639,706.98 (US\$ 2,459,556.28)
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	4.24.2012
<b>Date awarded</b>	10.2.2012
<b>Total amount disbursed</b>	R\$ 4,639,706.98 (US\$ 2,096,439.93)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## ACTIVITIES CONDUCTED

The remodeling the Cellular and Molecular Neuro-chemical Laboratory was completed. It is used in research involving biotechnology to develop biochemical and pharmacological tests.

In addition, renovations of the Pharmaceutical Planning and Development Laboratory are almost completed. The laboratory conducts studies using bioinformatics with applications in chemistry and biology, for planning and modeling of molecules of biomedical interest.

Among others, the following equipment was purchased: a calcium wave system; an optical microscope; a nitrogen generator and solvent evaporation equipment.

# COMPOSTOS BIOATIVOS DA AMAZÔNIA

## AMAZON BIOACTIVE COMPOSTS

### UFPA

<b>Project management</b>	Federal University of Pará (UFPA) and the Research Development and Support Foundation (FADESP) <www.portal.ufpa.br>
<b>Territorial scope</b>	State of Pará
<b>Beneficiaries</b>	UFPA; small farmers, potential suppliers of raw materials to produce bioactive composts; and companies in the Amazon Region that work with products that derive from bioactive composts
<b>Objectives</b>	(i) To implement a pilot plant in the UFPA food laboratory to produce and characterize extracts rich in bioactive composts; and (ii) to develop new products and technological applications using bioactive composts extracted from plants and fruits that are typical to the eastern region of the Amazon.
<b>Total cost of the project</b>	R\$ 1,413,357.00 (US\$ 756,493.60)
<b>Amazon Fund support</b>	R\$ 1,352,336.00 (US\$ 723,832.36)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	1.3.2012
<b>Date awarded</b>	8.21.2012
<b>Total amount disbursed</b>	R\$ 1,073,559.00 (US\$ 480,640.66)
<b>Total amount disbursed in relation to Amazon Fund support</b>	79%

## ACTIVITIES CONDUCTED

The project began its research activities with the following plant species: açai berries, muruci (golden spoon) and ingá (ice-cream bean). Samples were taken from these three species, which were then dried, ground and stored. Bioactive composts were extracted. They are being studied for possible antimicrobial and antioxidant properties.

In addition, research on açai berries is being conducted to obtain a light açai, which is poor in oil but rich in dietary fiber.

Finally, studies on the permeation of the bioactive composts in the dermis and epidermis are underway aiming to produce creams and/or other dermatological products.

# ILHAS DE BELÉM

## BELÉM ISLANDS

### UFPA and FADESP

<b>Project management</b>	Federal University of Pará (UFPA) and the Research Development and Support Foundation (FADESP) <www.portal.ufpa.br>
<b>Territorial scope</b>	State of Pará
<b>Beneficiaries</b>	UFPA; the population living on the islands that surround the city of Belém; and those that carry out public policy in territorial management
<b>Objectives</b>	(i) to implement a methodology to help establish the economic and environmental zoning at a local scale for the islands surrounding the city of Belém; and (ii) to expand the research infrastructure in the Graduate Programme for Water and Fishing Ecology at UFPA
<b>Total cost of the project</b>	R\$ 1,138,083.93 (US\$ 638,082.49)
<b>Amazon Fund support</b>	R\$ 1,138,083.93 (US\$ 638,082.49)
<b>Estimated completion date</b>	30 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	1.17.2012
<b>Date awarded</b>	7.17.2012
<b>Total amount disbursed</b>	R\$ 879,304.56 (US\$ 408,969.62)
<b>Total amount disbursed in relation to Amazon Fund support</b>	77%

## ACTIVITIES CONDUCTED

Research is being conducted to develop and apply tools to support the zoning of the main islands surrounding the city of Belém do Pará, namely: Onças, Combu, Cotijuba and Mosqueiro Islands.

Some 332 questionnaires were used to collect socioeconomic data, and four campaigns were held to collect biological data, totaling 64 samples. A multi-criteria analysis was used to prepare priority maps for forest conservation, the main aim of the project research.

Simultaneously, a new building was built for the Laboratory of the Graduate Programme for Water and Fishing Ecology of the Federal University of Pará, enabling researchers to complete the processing of biological data in an appropriate environment.



# FLORESTAS DE MANGUE

## MANGROVE FORESTS

### UFPA and FADESP

<b>Project management</b>	Federal University of Pará (UFPA) and the Research Development and Support Foundation (FADESP) <www.ufpa.br/lama/>
<b>Territorial scope</b>	Municipality of Bragança, in the state of Pará
<b>Beneficiaries</b>	Traditional communities from Tamatateua and Taperaçu; as well as other communities that are affected by the Caeté-Taperaçu Maritime Extraction Reserve, that benefit indirectly from the project
<b>Objectives</b>	(i) to research and develop know-how and techniques related to recovering degraded mangrove areas in the North Region of the country; (ii) to develop estimate models for biomass, carbon sequester and to assess carbon stocks in mangrove forests; and (iii) to expand infrastructure in the Mangrove Ecology Laboratory at UFPA, by constructing a building and purchasing lab equipment
<b>Total cost of the project</b>	R\$ 1,982,143.00 (US\$ 1,130,843.79)
<b>Amazon Fund support</b>	R\$ 1,982,143.00 (US\$ 1,130,843.79)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	1.24.2012
<b>Date awarded</b>	7.17.2012
<b>Total amount disbursed</b>	R\$ 1,536,124.96 (US\$ 723,710.50)
<b>Total amount disbursed in relation to Amazon Fund support</b>	77%

## ACTIVITIES CONDUCTED

Research is being conducted to develop technologies to recover the degraded mangrove areas in the Amazon Biome. The first stage of the research – forest inventory in the mangrove area on the Ajuruteua peninsula – has already been completed. The development of a model to estimate the biomass in the region is underway. This includes, among other factors, the study of the photosynthetic capacity of the mangrove tree species, as well as the relationship between salinity and CO2 emissions from tree trunks.

Mapping the region where there is timber exploration is in the initial stages.

The local population participated in mangrove replanting activities after events were held to raise awareness in the traditional communities at the Caeté-Taperaçu Maritime Extraction Reserve. Some 20,500 saplings have already been planted, which corresponds to 29% of the project's replanting target.

At the same time, the building that will house the laboratory and equipment to continue research is being constructed.

# FORTALECIMENTO DA INCUBADORA DE POLÍTICAS PÚBLICAS DA AMAZÔNIA

AMAZON PUBLIC  
POLICIES INCUBATOR

UFPA and FADESP

<b>Project management</b>	Federal University of Pará (UFPA) and the Research Development and Support Foundation (FADESP) <www.naea.ufpa.br>
<b>Territorial scope</b>	All the states in the Amazon Biome
<b>Beneficiaries</b>	Federal University of Pará
<b>Objective</b>	To develop an interdisciplinary research project on the socioeconomic and environmental impacts resulting from the expansion of the economic frontier in the Amazon, within the scope of the Amazon Public Policies Incubator, linked to the Research Forum and Graduate Programme in Sustainable Development of the Amazon
<b>Total cost of the project</b>	R\$ 2,704,084.90 (US\$ 1,738,849.52)
<b>Amazon Fund support</b>	R\$ 2,704,084.90 (US\$ 1,738,849.52)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)

Progress of the project	
<b>Date approved</b>	8.2.2011
<b>Date awarded</b>	12.9.2011
<b>Total amount disbursed</b>	R\$ 2,704,084.90 (US\$ 1,333,691.53)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## ACTIVITIES CONDUCTED

The project completed the research on socioeconomic, political-institutional and environmental dynamics in the nine states that comprise the Legal Amazon. The research revealed historical fundamentals as well as the main causes and impacts associated with each aspect of regional development in each state, indicating the most vulnerable regions in socioenvironmental terms in each one.

At the same time, the Sustainability Index for Amazon Municipalities was conceived and designed. Comprising 47 variables and a set of indicators associated with economic, sociocultural, political-institutional and environmental dynamics in the municipalities, the index was fundamental in choosing the more critical regions in the Amazon, which are the aim of the research and the plan of action.

Research tied to plans of action was completed in the municipalities that make up the regions considered more vulnerable in socioenvironmental terms in the Amazon, namely: Breves; Lábrea; Guajará Mirim; Cruzeiro do Sul; Alta Floresta; Tocantinópolis; Grajaú; Oiapoque; and Mucajaí.

Four books that will present the results of the projects are in the final stage of publication; these will make up the collection Amazon Regional Formation. The collection will comprise the following books: (i) *Institutions, public policy and regional development in the Amazon*; (ii) *Socioeconomic formation and the regional economy in the Amazon*; (iii) *Biodiversity and environmental management in the Brazilian Amazon*; and (iv) *The Sustainability Index of the Amazonian municipalities*.

# NOVA CARTOGRAFIA SOCIAL NA AMAZÔNIA

NEW SOCIAL MAPPING  
IN THE AMAZON

UEA and the Muraki  
Institutional Support  
Foundation

<b>Project management</b>	Amazonas State University (UEA) and the Muraki Institutional Support Foundation <www.novacartografiasocial.com>
<b>Territorial scope</b>	All the states in the Amazon Biome
<b>Beneficiaries</b>	27 traditional groups and communities in the region and the Network for Traditional People and Communities and Researchers, which includes close to 70 researchers
<b>Objectives</b>	To foster social mapping in 27 communities in the Amazon Biome and to strengthen the research network involved in the project
<b>Total cost of the project</b>	R\$ 4,614,587.03 (US\$ 2,646,585.81)
<b>Amazon Fund support</b>	R\$ 4,614,587.03 (US\$ 2,646,585.81)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)

## Progress of the project

<b>Date approved</b>	11.30.2010
<b>Date awarded</b>	5.6.2011
<b>Total amount disbursed</b>	R\$ 4,614,587.03 (US\$ 2,231,744.68)
<b>Total amount disbursed in relation to Amazon Fund support</b>	100%

## ACTIVITIES CONDUCTED

Social mapping in 16 traditional communities in the Amazon was completed, and preparations to map out another nine communities were carried out.

This mapping-out aims to show the reality in the communities through the active participation of the members who are trained in mapping workshops presented by the researchers from the Amazon's public universities and other institutions.

Preparations in their turn include meetings between community leaders and researchers prior to the participative mapping workshops.

Nine research nuclei were consolidated in the project (one in each state of the Amazon), with research scholarships and acquisition of equipment, such as computers, printers, GPS etc.

Nine regional meetings and two partial seminars were held to strengthen the Traditional People and Communities and Researchers Network, as well as promoting the exchange of experiences between the leaders of mapped communities.

# PREVFOGO

## PREVFOGO

## IBAMA

<b>Project management</b>	Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA) <www.ibama.gov.br/prevfogo>
<b>Territorial scope</b>	Mainly the Amazon Biome, strengthening the logistics center at the National Center to Prevent and Combat Forest Fires (PREVFOGO) in Brasilia
<b>Beneficiaries</b>	Population dwelling in the Amazon Biome
<b>Objectives</b>	To provide support to physically and operationally structure the PREVFOGO programme, and the environmental education to raise awareness and train locals to monitor, prevent and combat forest fires and unauthorized burn-offs in the Amazon Biome
<b>Total cost of the project</b>	R\$ 14,717,270.00 (US\$ 6,252,557.56)
<b>Amazon Fund support</b>	Up to R\$ 14,717,270.00 (US\$ 6,252,557.56)
<b>Estimated completion date</b>	12 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.30.2013
<b>Date awarded</b>	6.5.2014
<b>Total amount disbursed</b>	R\$ 4,125.59 (US\$ 1,863.91)
<b>Total amount disbursed in relation to Amazon Fund support</b>	0.03%



PREVFOGO | PREVFOGO

## ACTIVITIES CONDUCTED

Some equipment was acquired for PREVFOGO mobile camps to operate in the Amazon in combating forest fires.

PROJECTS WITH THE  
FEDERAL GOVERNMENT

# INVENTÁRIO FLORESTAL NACIONAL – AMAZÔNIA

NATIONAL FOREST  
INVENTORY – AMAZON

**SFB**

PROJECTS APPROVED UP TO  
**2013**

PROJECTS WITH THE  
FEDERAL GOVERNMENT

<b>Project management</b>	Federal Government/Brazilian Forest Service (SFB) <www.sfb.gov.br>
<b>Territorial scope</b>	Amazon Biome
<b>Beneficiaries</b>	All people and institutions that use information produced by the Amazon Forest Inventory
<b>Objective</b>	To implement the Forest Inventory in the Amazon Biome to produce information on forest resources, carbon stocks and how populations in the region use their territory
<b>Total cost of the project</b>	R\$ 65,000,555.12 (US\$ 40,549,316.98)
<b>Amazon Fund support</b>	R\$ 65,000,555.12 (US\$ 40,549,316.98)
<b>Estimated completion date</b>	48 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	7.31.2012
<b>Date awarded</b>	1.24.2013
<b>Total amount disbursed</b>	R\$ 4,967,179.40 (US\$ 1,946,106.50)
<b>Total amount disbursed in relation to Amazon Fund support</b>	8%

## ACTIVITIES CONDUCTED

Collection of biophysical data has already started in some states of the Amazon Biome, and a high-capacity server was purchased to store data from the National Forest Inventory (IFN). Additionally, the National Forest Inventory Symposium was held in Manaus, with the participation of several Brazilian and foreign entities.

In addition, a survey was conducted to identify partner institutions to implement the IFN in the Amazon. Regarding the research program, a reference document was developed based on IFN data for the research and development of allometric equations, aiming to improve the estimation of the volume of timber, biomass and carbon in Amazon forests.

# PROGRAMA MUNICÍPIOS VERDES

## GREEN MUNICIPALITIES PROGRAMME

### State of Pará

<b>Project management</b>	State of Pará <www.municiposverdes.com.br>
<b>Territorial scope</b>	100 municipalities in the state of Pará
<b>Beneficiaries</b>	Rural producers and municipal secretariats in the 100 municipalities covered by the project
<b>Objective</b>	To help consolidate the Rural Environmental Registration of rural properties and strengthen municipal environmental management to help combat deforestation and forest degradation in the state of Pará
<b>Total cost of the project</b>	R\$ 92,421,590.00 (US\$ 39,794,010.76)
<b>Amazon Fund support</b>	Up to R\$ 82,378,560.00 (US\$ 35,469,778.25)
<b>Estimated completion date</b>	30 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	12.10.2013
<b>Date awarded</b>	5.26.2014
<b>Total amount disbursed</b>	R\$ 24,058,342.00 (US\$ 10,699,253.75)
<b>Total amount disbursed in relation to Amazon Fund support</b>	29%

## ACTIVITIES CONDUCTED

The Green Municipalities Programme was created in 2011 by the state of Pará, and support from the Amazon Fund was formalized in 2014. From this support, specific control instruments have been created, such as the Technical Board to analyze and assess strategic efforts and Terms of Reference; and the Operational Manual with procedures for acquiring goods and services.

Preparatory activities were also carried out for the bidding process, such as preparation of Terms of Reference, market research on prices, preparation of calls-to-submission and communication efforts.

# CAR ACRE

## CAR IN THE STATE OF ACRE

### State of Acre

<b>Project management</b>	State of Acre <www.ac.gov.br >
<b>Territorial scope</b>	22 municipalities in the state of Acre
<b>Beneficiaries</b>	Property owners engaged in family farming with up to four government established modules located in the rural zones in all 22 municipalities in the state of Acre, covering an area close to 9 million hectares
<b>Objective</b>	To provide support to implement the Rural Environmental Registration and the adherence to the Environmental Regularization Programme in the state of Acre
<b>Total cost of the project</b>	Up to R\$ 16,838,000.00 (US\$ 7,707,589.49)
<b>Amazon Fund support</b>	Up to R\$ 16,838,000.00 (US\$ 7,707,589.49)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.29.2013
<b>Date awarded</b>	11.13.2013
<b>Total amount disbursed</b>	R\$ 5,580,583.30 (US\$ 2,517,859.27)
<b>Total amount disbursed in relation to Amazon Fund support</b>	33%

## ACTIVITIES CONDUCTED

Two additional modules were developed and implemented within the Rural Environmental Registration Information System of state of Acre (SICAR-Acre): (i) enrollment module coupled with the local receiving tool (offline); and (ii) security and auditing module.

Over a hundred professionals were trained with support from the Federal University of Lavras (UFLA) to work in the registration service network for the Rural Environmental Registration (CAR). Training addressed not only the steps to register rural property in the SICAR-Acre, but also important environmental legislation as well as customer service methods and techniques.

Nine Fixed Service Stations were installed, one in each of the following locations: Senador Guiomard; Plácido de Castro; Acrelândia; Brasileia; Sena; Madureira; Feijó; Tarauacá; and Cruzeiro do Sul.

Four mobile service, teams were built consisting of ten experts each to carry out the enrollments in the CAR in places harder to reach.

Some 21,732 enrollments were made in the CAR in the state of Acre, of which 5,704 were made in the fixed service system, some 9,473 were made in the mobile service system, and some 6,555 in the “perimeter” CAR (in settlements).



# PARÁ COMBATENDO OS INCÊNDIOS FLORESTAIS E QUEIMADAS NÃO AUTORIZADAS

PARÁ COMBATING FOREST  
FIRES AND UNAUTHORIZED  
BURN-OFFS

**CBMPA**

<b>Project management</b>	State of Pará/Pará State Military Firefighters (CBMPA) <www.bombeiros.pa.gov.br>
<b>Territorial scope</b>	State of Pará
<b>Beneficiaries</b>	Population in the state of Pará
<b>Objective</b>	To provide support for efforts towards monitoring, preventing and combating deforestation resulting from forest fires and unauthorized burn-offs in the state of Pará, by physically and operationally structuring the Fire Fighters stations located in 10 municipalities in the state
<b>Total cost of the project</b>	R\$ 23,374,140.00 (US\$ 11,244,595.18)
<b>Amazon Fund support</b>	<b>R\$ 16,830,280.00 (US\$ 8,096,541.10)</b>
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.27.2012
<b>Date awarded</b>	6.26.2013
<b>Total amount disbursed</b>	<b>R\$ 16,830,280.00 (US\$ 7,263,823.91)</b>
<b>Total amount disbursed in relation to Amazon Fund support</b>	<b>100%</b>

## ACTIVITIES CONDUCTED

Construction of the 7th Military Firefighters Brigade in Itaituba has been completed, as well as the training of 65 soldiers in combating forest fires and environmental expertise.

The Regional Center for Environmental Monitoring and Prevention and Disasters (CRMPAD) was implemented in Belém, aiming at locating, identifying and planning activities in response to several aggressive occurrences.

In addition, some 13 officers were appointed Specialists in Environmental Management and Safety. The 500-hour course was held at the Federal University of Pará.

It is noteworthy that most of the equipment for structuring ten Quick Response Centers (NORR) has already been purchased, only two items are left to acquire, but bids have already been made.

# ACRE: INCÊNDIOS FLORESTAIS ZERO

## ACRE: ZERO FOREST FIRES

### CBMAC

<b>Project management</b>	State of Acre/Acre State Military Firefighters (CBMAC) <www.bombeiros.ac.gov.br>
<b>Territorial scope</b>	State of Acre
<b>Beneficiaries</b>	Population in the state of Acre
<b>Objective</b>	To provide support for efforts towards monitoring, preventing and combating deforestation caused by forest fires and unauthorized burn-offs in the state of Acre, by training and purchasing vehicles and support equipment for the Forest Fire Education, Protection and Combat Platoons within the Acre State Military Firefighters
<b>Total cost of the project</b>	R\$ 13,337,700.00 (US\$ 6,922,202.62)
<b>Amazon Fund support</b>	R\$ 13,280,700.00 (US\$ 6,892,619.88)
<b>Estimated completion date</b>	<b>24 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	5.8.2012
<b>Date awarded</b>	7.5.2012
<b>Total amount disbursed</b>	R\$ 13,207,885.23 (US\$ 6,206,539.95)
<b>Total amount disbursed in relation to Amazon Fund support</b>	99%

ACRE: INCÊNDIOS FLORESTAIS ZERO | ACRE: ZERO FOREST FIRES

## ACTIVITIES CONDUCTED

Some 20 lightweight vehicles, 11 trucks and 20 motorcycles, in addition to personal protective equipment (PPI) and other items, were purchased to support structuring the Brigades for Education, Protection and Combating Forest Fires of the Acre State Military Firefighters.

Five managers from the Acre State Military Firefighter Brigades (CBMAC) were trained in graduate courses focusing on environmental monitoring.

Also within the scope of the project, military firefighters were sent to municipalities that do not have a fire brigade to train 1,815 rural producers. Within this context, equipment such as hoes, beaters and backpack extinguisher kits were delivered to support efforts against potential forest fires.

# BOMBEIROS FLORESTAIS DO MATO GROSSO

## FOREST FIREFIGHTERS IN MATO GROSSO

### CBMMT

<b>Project management</b>	Firefighters in the state of Mato Grosso (CBMMT) <www.bombeiros.mt.gov.br>
<b>Territorial scope</b>	State of Mato Grosso
<b>Beneficiaries</b>	Population in the region where the Sinop Aerial and Land Operations Base works
<b>Objective</b>	To provide support for efforts towards monitoring, preventing and combating deforestation caused by forest fires and unauthorized burn-offs in the state of Mato Grosso, by training and purchasing aircraft, vehicles and support equipment for the Aerial and Land Operations Base that is part of the state's Military Firefighters, located in the city of Sinop
<b>Total cost of the project</b>	R\$ 16,742,500.00 (US\$ 9,907,390.97)
<b>Amazon Fund support</b>	R\$ 12,625,000.00 (US\$ 7,470,856.26)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.13.2011
<b>Date awarded</b>	1.17.2012
<b>Total amount disbursed</b>	R\$ 11,724,001.00 (US\$ 4,938,134.35)
<b>Total amount disbursed in relation to Amazon Fund support</b>	93%

## ACTIVITIES CONDUCTED

The Multi-agency Integrated Center for Operational Coordination (CIMAN) was put into operation and visits were made to municipalities included in the project, setting up three brigades with 45 firefighters to prevent and combat forest fires.

Equipment to prevent and combat fires such as swatters (beaters), backpack extinguisher kits, brushcutters, electric generators etc. were purchased, besides other equipment and personal protection kits. Two fixed-wing aircraft, seven forestry tanker trucks that can carry 1,000 liters of water each and six 4 x 4 pickup trucks were also purchased. Six pilots were trained, one of whom is already qualified for monitoring and combating forest fires.

# RONDÔNIA MAIS VERDE

## GREENER RONDÔNIA

### CBMRO

<b>Project management</b>	Firefighters in the state of Rondônia (CBMRO) <www.cbm.ro.gov.br>
<b>Territorial scope</b>	State of Rondônia
<b>Beneficiaries</b>	The population that owns land in the region where the Rondônia Aerial and Land Operations Base works and in the region covered by the four largest operational fire stations located in the municipalities of Ji-Paraná, Guajará-Mirim, Cacoal and Vilhena
<b>Objective</b>	To provide support for efforts towards monitoring, preventing and combating deforestation resulting from forest fires and unauthorized burn-offs in the state of Rondônia, by training and purchasing materials and equipment to prepare: (i) the Military Firefighters Aerial and Land Operations Base, to be built by the State in the capital Porto Velho; and (ii) four operational stations, located in other municipalities throughout the state
<b>Total cost of the project</b>	R\$ 15,910,500.00 (US\$ 7,860,530.61)
<b>Amazon Fund support</b>	R\$ 15,040,500.00 (US\$ 7,430,709.94)
<b>Estimated completion date</b>	12 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.11.2012
<b>Date awarded</b>	12.21.2012
<b>Total amount disbursed</b>	R\$ 10,630,751.90 (US\$ 4,507,328.62)
<b>Total amount disbursed in relation to Amazon Fund support</b>	71%



## ACTIVITIES CONDUCTED

Aimed at operationally structuring the Rondônia State Military Firefighters (CBMRO) operational bases in the state capital (Porto Velho) and four brigades in the municipalities of Ji-Paraná, Guajará-Mirim, Cacoal and Vilhena, six lightweight vehicles and five heavy-weight trucks, with the capacity to store 4,000 liters of water and carry six firefighters, were purchased. Additionally, personal protective equipment (uniform, gloves, boots, leg protectors etc.), communication kits (radio receivers) and logistical support material were purchased.

# PROTEÇÃO FLORESTAL TOCANTINS

## FOREST PROTECTION IN THE STATE OF TOCANTINS

### CBMTO

<b>Project management</b>	State of Tocantins, and to be carried out by the Tocantins State Military Firefighters (CBMTO) <bombeiros.to.gov.br>
<b>Territorial scope</b>	The areas covered by the efforts that will be developed by the CBMTO Environmental Protection Platoon, located in the municipality of Araguaína, in the northern region of the state. Coverage will be extended to protected areas within the state, such as the federal ecological corridors Araguaia-Bananal, Paranã-Pirineus and Jalapão-Chapada das Mangabeiras, located within the state of Tocantins.
<b>Beneficiaries</b>	The population that owns land in the region where the Araguaína (Tocantins state) Environmental Protection Platoon operates
<b>Objective</b>	To provide support for efforts towards monitoring, preventing and combating deforestation caused by forest fires and unauthorized burn-offs in the state of Tocantins, especially in the central-north region, through training, structuring mechanisms for integrated management, and purchasing materials and equipment to prepare the Environmental Protection Platoon, located in the municipality of Araguaína
<b>Total cost of the project</b>	R\$ 6,697,880.00 (US\$ 3,691,715.81)
<b>Amazon Fund support</b>	R\$ 5,000,000.00 (US\$ 2,755,883.81)
<b>Estimated completion date</b>	24 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	3.27.2012
<b>Date awarded</b>	8.9.2012
<b>Total amount disbursed</b>	R\$ 4,622,910.00 (US\$ 2,116,725.65)
<b>Total amount disbursed in relation to Amazon Fund support</b>	92%

## ACTIVITIES CONDUCTED

The Tocantins State Environmental Protection Platoon held nine meetings with managers from 19 public entities to integrate and exchange ideas related to combating forest fires and burn-offs. Among the entities and agencies that took part in these meetings were: the Tocantins State Coordination for Civil Defense, the Brazilian Institute for the Environment and Renewable Resources (IBAMA), the Tocantins Nature Institute (Naturatins), the state Public Prosecutor's Office, the Secretariat of the Environment and Sustainable Development, the Brazilian Army, military and civil police from the state of Tocantins, the Chico Mendes Biodiversity Conservation Institute (ICMBio), the National Institute for Colonization and Agrarian Reform (INCRA) etc.

To carry out efforts towards preventing and combating burn-offs, some 653 citizens were trained as firefighters; also, three initiatives to instruct and raise awareness and 60 mobilization and prevention events were held.

To operationally structure the Araguaína Environmental Protection Brigade and the situation room of the State Fire Committee of the Civil Defense headquarters in Palmas, several pieces of equipment were purchased, such as 10 trucks for fast response; one truck with the capacity to transport eight tons of materials and logistical support; ten notebooks for planning, controlling and reporting incidents; 60 mobile radios and 199 backpack kits to transport water and combat fires.

# SDS AMAZONAS

## SDS AMAZONAS

### State of Amazonas

<b>Project management</b>	The State of Amazonas <www.sds.am.gov.br>
<b>Territorial scope</b>	Municipalities in the southern region of the state of Amazonas (Boca do Acre, Lábrea, Apuí and Novo Aripuanã)
<b>Beneficiaries</b>	Population in the cities of Boca do Acre, Lábrea, Apuí and Novo Aripuanã
<b>Objective</b>	To provide support for environmental management in areas suffering from deforestation in the state of Amazonas by designing legal frameworks for registration – Rural Environmental Registration; by encouraging environmental and land-title regularization; by improving mechanisms for licensing and environmental monitoring; and recovering deforested areas with reforestation aimed at the economy and ecology
<b>Total cost of the project</b>	R\$ 20,000,000.00 (US\$ 11,180,679.78)
<b>Amazon Fund support</b>	R\$ 20,000,000.00 (US\$ 11,180,679.78)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	8.17.2010
<b>Date awarded</b>	12.17.2010
<b>Total amount disbursed</b>	R\$ 17,516,747.42 (US\$ 8,667,432.48)
<b>Total amount disbursed in relation to Amazon Fund support</b>	88%

## ACTIVITIES CONDUCTED

Partners received training on Rural Environmental Registration (CAR) legislation and the use of the State Environmental Information System (SEIAM), with 30 courses held, training 440 technicians.

Some 1,000 rural producers on temporarily-owned property (bailments), with up to four government-established land modules (400 hectares), in the project's four target municipalities were selected to promote the CAR, implement agro-forestry systems and to participate in training programmes. Thus, 345 enrollments were performed in the municipality of Apuí, 250 in Boca do Acre, 259 in Lábrea and 146 in Novo Aripuanã.

The enrollment of the rural producers in the CAR was completed, and 320 agro-forestry systems' projects have already been implemented. Production of saplings and preparation of areas for planting, which benefit all producers, are underway.

Additionally, some 1,007 farmers were trained in 164 courses on the following topics: Environmental Education Focused on Family Farming (40 courses), Workshop on the Rural Environmental Registration (21 workshops), Agroecology (40 courses) and Collecting Forest Seeds (nine courses), as well as courses and field activities regarding the Agro-forestry System (24 courses), Integration Farming-Stockbreeding-Forest (18 courses) and Rotational Grazing (12 courses). In addition, some 12 Demonstration Units were implemented.

# VALORIZAÇÃO DO ATIVO AMBIENTAL FLORESTAL

## IMPORTANCE OF FOREST ENVIRONMENTAL ASSETS

### State of Acre

<b>Project management</b>	State of Acre <www.ac.gov.br>
<b>Territorial scope</b>	State of Acre
<b>Beneficiaries</b>	Settlement populations and family farmers
<b>Objective</b>	To boost sustainable practices aimed at reducing deforestation, with payments for environmental services, adding value to the environment and the forest as an asset to consolidate clean, fair and competitive economies, based on Ecological-Economic Zoning
<b>Total cost of the project</b>	R\$ 66,700,000.00 (US\$ 36,930,402.52)
<b>Amazon Fund support</b>	R\$ 60,000,000.00 (US\$ 33,220,751.89)
<b>Estimated completion date</b>	<b>36 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	10.26.2010
<b>Date awarded</b>	11.19.2010
<b>Total amount disbursed</b>	R\$ 45,389,820.82 (US\$ 22,483,210.14)
<b>Total amount disbursed in relation to Amazon Fund support</b>	76%

## ACTIVITIES CONDUCTED

The project has provided support to modernize state entities involved in the system to monitor, control and inspect altered areas. In this regard, four regional units of the Environment Institute of the state of Acre were structured, and equipment was purchased for 21 municipal environmental secretariats.

Additionally, studies were carried out to support the municipal Deforestation Prevention and Control Plans; some 1,054 individuals were trained for community municipal brigades to combat forest fires, and 18 hydro-meteorological stations were installed.

Support was also provided not only to demarcate territorial boundaries on 24,500 hectares of indigenous land (TI), totaling 65% of the area of TIs in the state, and to offer seven workshops on surveillance and inspection in 17 of these TIs.

Concerning production activities, the project provided technical assistance to 2,080 farmers. Of this total, some 1,750 small farms have benefited from implementing agro-forestry systems, including the receipt of 211,000 fruit saplings. The community management plan was also developed, covering 32,000 hectares and benefiting 210 families.



# SECRETARIA DE MEIO AMBIENTE DO PARÁ

SECRETARIAT OF THE  
ENVIRONMENT IN THE STATE  
OF PARÁ

## State of Pará

<b>Project management</b>	State of Pará <www.sema.pa.gov.br>
<b>Territorial scope</b>	State of Pará
<b>Beneficiaries</b>	Population in the state of Pará, especially rural producers
<b>Objective</b>	To provide support to strengthen environmental management in the state of Pará by improving the processes to issue the Rural Environmental Registration, by decentralizing the activities carried out by the Secretariat of the Environment in the state of Pará and improving the legal processes for environmental licensing
<b>Total cost of the project</b>	R\$ 15,923,230.00 (US\$ 8,901,626.78)
<b>Amazon Fund support</b>	R\$ 15,923,230.00 (US\$ 8,901,626.78)
<b>Estimated completion date</b>	<b>48 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	7.9.2010
<b>Date awarded</b>	10.6.2010
<b>Total amount disbursed</b>	R\$ 12,637,630.43 (US\$ 6,212,049.28)
<b>Total amount disbursed in relation to Amazon Fund support</b>	79%

## ACTIVITIES CONDUCTED

Up to 2009, only 10 municipalities in the state of Pará were authorized to carry out municipal environmental management. After implementing the project, the number increased to 62 municipalities which have signed terms or agreements for decentralization with the Environmental Secretariat in the state of Pará to carry out their own environmental management.

Four regional units of the Environmental Secretariat were also structured in the state of Pará (Marabá, Santarém, Altamira and Paragominas), including the purchase of vehicles, furniture and computer equipment.

The secretariat's capacity to use geo-technology was strengthened with the purchase of high-resolution software, hardware and other equipment. As a result, some 100,313 properties requested enrollment on the Rural Environmental Registration (CAR) between 2012 and 2014, totaling an area of 27,503,180.61 ha enrolled.

Environmental licensing was strengthened in the Environmental Secretariat of the state of Pará. Within this context, a monitoring room was set up to oversee the undertakings licensed through geoprocessing and remote sensing. Vehicles and kits for inspection and supervision in the field were purchased, besides furniture and information technology items. Several training courses were also held to qualify the technical staff at the secretariat.

# MATO GROSSO SUSTENTÁVEL

SUSTAINABLE  
MATO GROSSO

SEMA-MT

<b>Project management</b>	State of Mato Grosso <www.sema.mt.gov.br>
<b>Territorial scope</b>	State of Mato Grosso, focusing on state protected areas (PA) and in 40 municipalities in the Amazon Biome
<b>Beneficiaries</b>	Population in the state of Mato Grosso
<b>Objective</b>	To provide support to: (i) consolidate PAs in the Amazon Biome; (ii) strengthen inspections and state environmental licensing; and (iii) decentralize state environmental management
<b>Total cost of the project</b>	R\$ 35,015,970.00 (US\$ 14,932,820.16)
<b>Amazon Fund support</b>	Up to R\$ 35,015,970.00 (US\$ 14,932,820.16)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)

## Progress of the project

<b>Date approved</b>	12.17.2013
<b>Date awarded</b>	7.3.2014
<b>Total amount disbursed</b>	R\$ 1,812,079.96 (US\$ 675,342.85)
<b>Total amount disbursed in relation to Amazon Fund support</b>	5%

# GESTÃO FLORESTAL E DINAMIZAÇÃO DE CADEIAS PRODUTIVAS DA SOCIOBIO- DIVERSIDADE DO AMAPÁ

FOREST MANAGEMENT  
AND BOOSTING  
PRODUCTION SECTOR  
FOR SOCIO-BIODIVERSITY  
IN AMAPÁ

**State of Amapá**

<b>Project management</b>	State of Amapá <www.ap.gov.br>
<b>Territorial scope</b>	State of Amapá
<b>Beneficiaries</b>	Population in the state of Amapá
<b>Objective</b>	To provide support to: (i) expand knowledge, increase technical assistance and infrastructure related to açai, timber and Brazil nuts production sectors aimed at the extraction population; (ii) improve instruments for territorial planning; (iii) improve operational conditions and increase professional qualification in entities and state autarkies to strengthen initiatives for environmental, territorial and forest management in the state; and (iv) develop instruments aimed at implementing projects for Reducing Emissions from Deforestation and Degradation
<b>Total cost of the project</b>	R\$ 43,304,200.00 (US\$ 19,654,245.90)
<b>Amazon Fund support</b>	R\$ 40,304,200.00 (US\$ 18,292,651.93)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	9.24.2013
<b>Date awarded</b>	1.27.2014
<b>Total amount disbursed</b>	-
<b>Total amount disbursed in relation to Amazon Fund support</b>	0%

# SEPROR AGROECOLÓGICA

## SEPROR AGROECOLOGY

### State of Amazonas

<b>Project management</b>	State of Amazonas/Secretariat for Rural Production (SEPROR) <www.am.gov.br>
<b>Territorial scope</b>	41 municipalities in the state of Amazonas
<b>Beneficiaries</b>	Extractionists of natural rubber and Brazil nuts, as well as indigenous communities
<b>Objectives</b>	To provide support to revitalize the natural rubber sector, to add value to the Brazil nut sector, and to provide incentives to run sustainable production activities on indigenous land
<b>Total cost of the project</b>	Up to R\$ 14,900,000.00 (US\$ 6,208,850.71)
<b>Amazon Fund support</b>	Up to R\$ 14,900,000.00 (US\$ 6,208,850.71)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	8.28.2013
<b>Date awarded</b>	12.12.2013
<b>Total amount disbursed</b>	R\$ 5,900,448.20 (US\$ 2,675,697.52)
<b>Total amount disbursed in relation to Amazon Fund support</b>	40%

# CAR: TOCANTINS LEGAL

## CAR: LEGAL TOCANTINS

### State of Tocantins

<b>Project management</b>	State of Tocantins <semarh.to.gov.br>
<b>Territorial scope</b>	State of Tocantins
<b>Beneficiaries</b>	Population in the state of Tocantins
<b>Objective</b>	To provide support to: (i) implement the Rural Environmental Registration in 96 municipalities throughout the state; (ii) improve the monitoring and control system for deforestation; (iii) implement a programme to decentralize environmental management in the municipalities in the Amazon Biome; and (iv) develop a sustainable forestry hub in the Amazon Biome within the state
<b>Total cost of the project</b>	R\$ 43,564,400.00 (US\$ 21,425,465.99)
<b>Amazon Fund support</b>	R\$ 40,504,400.00 (US\$ 19,920,523.28)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	5.21.2013
<b>Date awarded</b>	6.28.2013
<b>Total amount disbursed</b>	R\$ 19,639,370.00 (US\$ 8,785,617.77)
<b>Total amount disbursed in relation to Amazon Fund support</b>	48%

# MARANHÃO SUSTENTÁVEL

## SUSTAINABLE MARANHÃO

### SEMA-MA

<b>Project management</b>	Maranhão State Secretariat of the Environment and Natural Resources (SEMA-MA) <www.sema.ma.gov.br>
<b>Territorial scope</b>	30 municipalities present in the Amazon Biome and one municipality in the Hinterland Biome (Cerrado)
<b>Beneficiaries</b>	Small producers and rural temporary land owners (bailments) in settlements throughout the state and of the National Institute for Colonization and Agrarian Reform (INCRA), in areas covered by the programmes Land-title Credit, "A Ticket to Land" (Cédula da Terra) and Legal Land, as well as former-slave communities (quilombos)
<b>Objective</b>	To provide support to environmental management in the state of Maranhão by: (i) implementing the Rural Environmental Registration and designing plans to recover degraded and altered areas; and (ii) improving the infrastructure and training of the staff at Maranhão State Secretariat of the Environment and Natural Resources
<b>Total cost of the project</b>	R\$ 20,849,000.00 (US\$ 10,253,774.65)
<b>Amazon Fund support</b>	R\$ 20,036,000.00 (US\$ 9,853,932.03)
<b>Estimated completion date</b>	30 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	5.21.2013
<b>Date awarded</b>	6.26.2013
<b>Total amount disbursed</b>	R\$ 7,206,350.00 (US\$ 3,252,550.09)
<b>Total amount disbursed in relation to Amazon Fund support</b>	36%



# OLHOS D'ÁGUA DA AMAZÔNIA – FASE 2

## AMAZON OLHOS D'ÁGUA – PHASE 2

### Municipality of Alta Floresta

<b>Project management</b>	Municipality of Alta Floresta, in the state of Mato Grosso <www.podam.com.br>
<b>Territorial scope</b>	Municipality of Alta Floresta, in the state of Mato Grosso
<b>Beneficiaries</b>	Local population, especially family farmers in the municipality of Alta Floresta
<b>Objective</b>	To provide support to recover degraded areas and develop sustainable production activities aimed at implementing environmental regularization for rural properties with family farming in the municipality of Alta Floresta
<b>Total cost of the project</b>	R\$ 7,594,720.00 (US\$ 3,531,442.39)
<b>Amazon Fund support</b>	R\$ 7,182,970.00 (US\$ 3,339,984.19)
<b>Estimated completion date</b>	30 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	6.11.2013
<b>Date awarded</b>	9.5.2013
<b>Total amount disbursed</b>	R\$ 5,147,510.20 (US\$ 2,187,979.76)
<b>Total amount disbursed in relation to Amazon Fund support</b>	72%

## ACTIVITIES CONDUCTED

Reforestation of 211 hectares of land is underway; the perimeters of some 75 properties were geo-referenced aiming to obtain the rural property certificate issued by the National Institute for Colonization and Agrarian Reform (INCRA); also, four good practices demonstration units were implemented: two for beef cattle and two for dairy cattle.

Within the Water Guardian Programme, which aims to pay for environmental services for conserving springs, 14 families were registered, of a hundred that will participate in the programme. The registered area corresponds to 31 hectares of a total of 647 hectares of land.

Six technical assistance visits of a total planned 600 technical visits were made in the fields of fish breeding, Meliponiculture and organic gardens.

# NASCENTES DO BURITI

## BURITI SPRINGS

### Municipality of Carlinda

<b>Project management</b>	Municipality of Carlinda, in the state of Mato Grosso <www.carlinda.mt.gov.br>
<b>Territorial scope</b>	Municipality of Carlinda, in the state of Mato Grosso
<b>Beneficiaries</b>	Local population, especially rural producers
<b>Objective</b>	To provide support to strengthen municipal environment management, by physically structuring the Municipal Secretariat of the Environment and Tourism; and efforts to recover 1,722 hectares of permanent preservation areas in areas surrounding the springs
<b>Total cost of the project</b>	R\$ 1,888,581.50 (US\$ 1,214,443.77)
<b>Amazon Fund support</b>	R\$ 1,870,581.50 (US\$ 1,202,868.94)
<b>Estimated completion date</b>	<b>48 months</b> (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	8.2.2011
<b>Date awarded</b>	9.6.2011
<b>Total amount disbursed</b>	R\$ 1,657,967.40 (US\$ 861,470.04)
<b>Total amount disbursed in relation to Amazon Fund support</b>	89%

## ACTIVITIES CONDUCTED

Materials and equipment were purchased to physically and operationally structure the Municipal Environment and Tourism Secretariat in Carlinda, as well as re-structuring the municipal nursery, increasing its production capacity from 20,000 saplings to 300,000 per year.

Three municipal civil servants were trained. Some 440,000 saplings have been distributed since the beginning of the project in the following beneficiary communities throughout Carlinda: Santa Paz, Monte Sinai, Emaús, Nazaré, Rio Jordão, Nova Palestina, Monte das Oliveiras, Jerusalém, Belém, Terra Prometida, Caná, Bom Samaritano and Galileia.

Workshops to raise awareness were held, with the participation of 2,413 individuals to preserve and recover the permanent preservation areas.

As a result of the project's efforts, some 799 hectares are being reforested, with technical assistance offered and visits made to 334 properties registered in the project, involving guidance on how best to plant the saplings, controlling leaf-cutter ants, managing weeds, as well as guidance on isolating an area in compliance with environmental legislation in effect in the state of Mato Grosso.

# RECUPERA MARCELÂNDIA

## RECOVERING MARCELÂNDIA

### Municipality of Marcelândia

<b>Project management</b>	Municipality of Marcelândia, in the state of Mato Grosso <www.marcelandia.mt.gov.br>
<b>Territorial scope</b>	Municipality of Marcelândia, in the state of Mato Grosso
<b>Beneficiaries</b>	Local population, especially rural producers
<b>Objective</b>	To provide support to strengthen municipal environmental management of degraded areas surrounding 50 springs in the sub-basin of the Manissauá-Missú River, located close to the municipal urban area
<b>Total cost of the project</b>	R\$ 686,630.30 (US\$ 398,392.98)
<b>Amazon Fund support</b>	R\$ 669,126.00 (US\$ 388,236.72)
<b>Estimated completion date</b>	48 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.23.2010
<b>Date awarded</b>	5.24.2011
<b>Total amount disbursed</b>	R\$ 247,227.50 (US\$ 108,777.29)
<b>Total amount disbursed in relation to Amazon Fund support</b>	37%

## ACTIVITIES CONDUCTED

Using satellite images, some 50 springs were located for recovery, and, in loco, environmental diagnosis was conducted. It is of note that all the requests made by rural property owners to adhere to the programme to recover degraded areas were filed by the Marcelândia city council and 20 springs are already being recovered.

Several native seed species were collected, and saplings are being produced in the municipal nursery and will be distributed to rural producers. Standing apart is the increased demand for saplings in the municipal nursery, as well as for technical assistance to recover degraded areas.

Equipment has been purchased to structure the Marcelândia Municipal Environment and Tourism Secretariat, and local civil servants have been trained to use geo-technological tools, helping reduce deforestation rates in the municipality.

# JACUNDÁ, MUNICÍPIO DE ECONOMIA VERDE

JACUNDÁ, GREEN  
MUNICIPALITY  
ECONOMY

**Municipality  
of Jacundá**

<b>Project management</b>	Municipality of Jacundá, in the state of Pará <www.prefeituradejacunda.pa.gov.br>
<b>Territorial scope</b>	Municipality of Jacundá, in the state of Pará
<b>Beneficiaries</b>	Local population, especially rural producers
<b>Objective</b>	To provide support to strengthen municipal environmental management by: (i) physically and operationally structuring the Municipal Secretariat of the Environment and Tourism; (ii) expanding the capacity and production of the municipal nursery; and (iii) designing a study to characterize the municipal territory
<b>Total cost of the project</b>	R\$ 820,860.00 (US\$ 441,417.51)
<b>Amazon Fund support</b>	R\$ 792,200.00 (US\$ 426,005.59)
<b>Estimated completion date</b>	36 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	11.29.2011
<b>Date awarded</b>	8.31.2012
<b>Total amount disbursed</b>	R\$ 199,352.05 (US\$ 90,400.89)
<b>Total amount disbursed in relation to Amazon Fund support</b>	25%

# MONITORAMENTO DA COBERTURA FLORESTAL NA AMAZÔNIA REGIONAL

## MONITORING FOREST COVERAGE IN THE AMAZON REGION

### ACTO

<b>Project management</b>	Amazon Cooperation Treaty Organization (ACTO) <www.otca.info/portal>
<b>Territorial scope</b>	Amazon Region
<b>Beneficiaries</b>	ACTO member countries: Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela
<b>Objective</b>	To help develop the capacity to monitor deforestation, changes in the use of land and forest in the ACTO's member countries
<b>Total cost of the project</b>	R\$ 27,670,630.00 (US\$ 13,836,006.80)
<b>Amazon Fund support</b>	R\$ 23,693,641.00 (US\$ 11,847,412.87)
<b>Estimated completion date</b>	60 months (from the date the contract was signed)
<b>Progress of the project</b>	
<b>Date approved</b>	5.3.2013
<b>Date awarded</b>	10.3.2013
<b>Total amount disbursed</b>	R\$ 4,700,000.00 (US\$ 2,021,070.73)
<b>Total amount disbursed in relation to Amazon Fund support</b>	20%



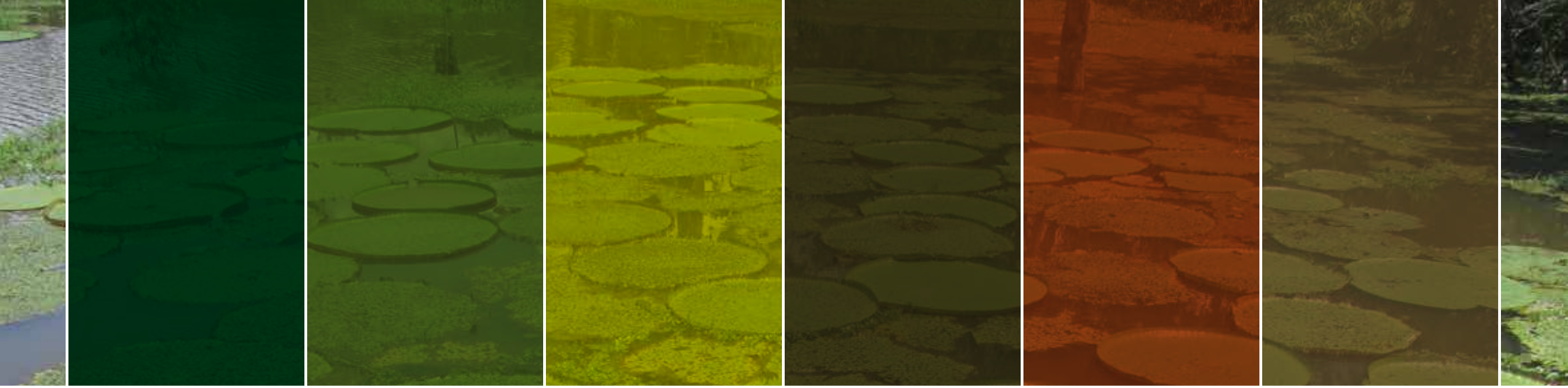
## ACTIVITIES CONDUCTED

Seven observation rooms were set up, one in each member country of the Amazon Cooperation Treaty Organization (ACTO), with the exception of Brazil. Additionally, equipment was purchased and human resources were hired to operate the rooms.

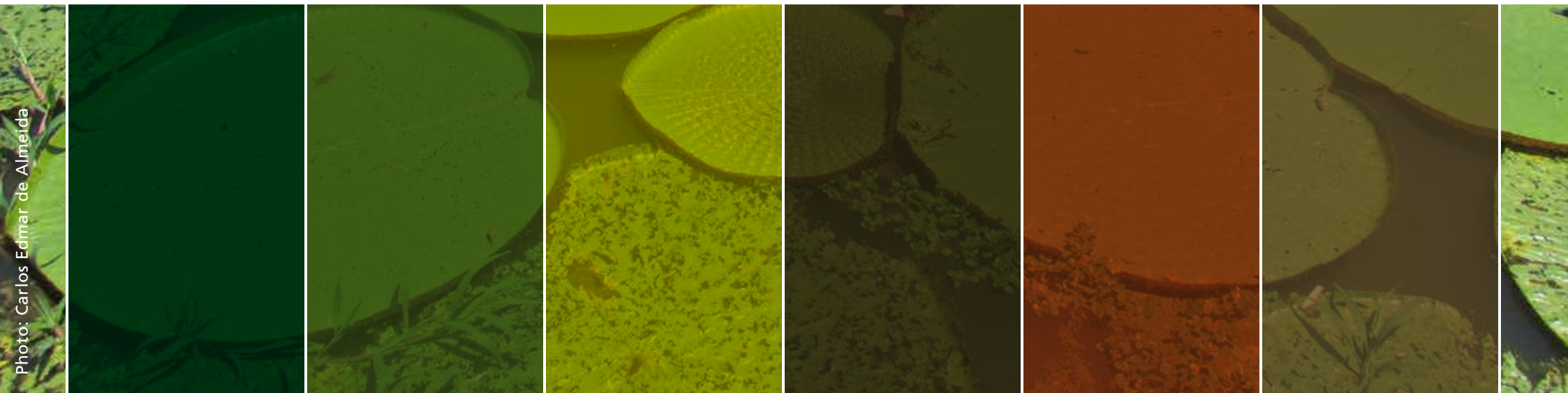
Seven National Plans to Monitor Forest Coverage were prepared, one for each member country in the ACTO, except Brazil. The national plans were presented in a workshop held in August 2014 in Lima, Peru.

Five training courses were held. The first three courses addressed monitoring tropical forests (using the TerraAmazon software) and calculating deforestation rates (using the PRODES methodology). The fourth course dealt with updating the TerraAmazon, while the fifth course covered monitoring forest fires.

For the first time, a regional map for deforestation in the Amazon was developed and validated by member countries in the ACTO. This map was presented at the 20th Conference of the Parties (COP-20) of the United Nations Framework Convention on Climate Change (UNFCCC) in December 2014, in Lima, Peru.



# ANNEXES





## ANNEX 1



## DECREE N°. 6,527, AUGUST 1, 2008

Presidency of the Republic  
PRESIDENT'S CHIEF OF STAFF OFFICE

### Deputy Chief of Legal Affairs

DECREE N°. 6,527, AUGUST 1, 2008.

This Decree provides for the establishment of the Amazon Fund by the Brazilian Development Bank (BNDES).

THE PRESIDENT OF THE REPUBLIC OF BRAZIL, employing the powers attributed by Article 84, Item VI, Subitem “a”, and in view of the provisions in the preamble of Article 225, and in Paragraph 4, both from the Constitution, DECLARES:

**Article 1** – The Brazilian Development Bank (BNDES) is authorized to allocate the amounts of donations received in cash, acquired through a specific account called the Amazon Fund, to conduct non-reimbursable investments in efforts to prevent, monitor, and combat deforestation and to foster conservation and sustainable use in the Amazon Biome, covering the following areas: **(As worded in Decree N°. 6,565, 2008)**

- I. management of public forests and protected areas;
- II. environmental control, monitoring and inspection;
- III. sustainable forest management;
- IV. economic activities developed from the sustainable use of the forest;

V. Ecological and Economic Zoning, land-use planning and land-title regularization;

VI. conservation and sustainable use of biodiversity; and

VII. recovery of deforested areas.

Paragraph 1 – Up to twenty percent of the resources in the Amazon Fund may be used in the development of systems to monitor and control deforestation in other Brazilian biomes and other tropical countries.

Paragraph 2 – The efforts addressed in the preamble shall comply with the guidelines of the Sustainable Amazon Plan (PAS) and the Prevention and Control Plan of Deforestation in the Legal Amazon (PPCDAM), except as provided for in Paragraph 1.

Paragraph 3 – The BNDES shall separate an amount equivalent to three percent of the amount of donations referred to in the preamble to cover its operating costs and expenses related to the Amazon Fund, including expenses related to the operation of the Technical Committee of the Amazon Fund (CTFA), the Guidance Steering Committee of the Amazon Fund (COFA), and the costs for contracting auditing services. (As worded in Decree N°. 6,565, 2008).

Paragraph 4 – The Amazon Fund's resources are, in addition to the donations referred to in the preamble, the product of financial investments of amounts not yet disbursed.

Paragraph 5 – The BNDES shall represent the Amazon Fund, judicially and extrajudicially.

**Article 2** – The BNDES shall receive donations and issue certificates acknowledging contributions made by donators to the Amazon Fund.



Paragraph 1 – The certificates issued shall contain the following information:

- I. name of the donator;
- II. amount donated;
- III. date of contribution;
- IV. equivalent value in tons of carbon; and
- V. year emission was reduced.

Paragraph 2 – The certificates shall be nominal, non-transferable, and shall not generate rights or claims of any nature.

Paragraph 3 – The issued certificates can be found on the World Wide Web – the Internet.

Paragraph 4 – To issue the certificate addressed in the preamble, the Ministry of the Environment shall, annually, set the limits for fundraising.

Paragraph 5 – The Ministry of the Environment shall regulate the methodology for calculating the limit on fundraising addressed in Paragraph 4, taking into account the following criteria:

- I. effective reduction in Carbon Emissions Arising from Deforestation (ED), attested by the CTFA; and
- II. equivalent contribution value, per reduced ton of ED, expressed in Brazilian reais per ton of carbon.

**Article 3** – The Amazon Fund shall have a Technical Committee (CTFA) to certify the ED calculated by the Ministry of the Environment, and, to do so, it shall evaluate:

- I. the methodology to calculate the area of deforestation; and
- II. the amount of carbon per hectare used in calculating emissions.

Sole Paragraph. The CTFA shall meet once a year and shall consist of six experts of unblemished reputation and renowned scientific-technical knowledge, appointed by the Ministry of the Environment, after consultation with the Brazilian Forum on Climate Change, for a term of three years, renewable once for the same period.

**Article 4** – The Amazon Fund shall have a Guidance Committee (COFA) comprising the following segments, represented as:

- I. Federal Government – a representative from each of the following agencies and entitie:
  - a. Ministry of the Environment;
  - b. Ministry of Development, Industry, and Foreign Trade;
  - c. Ministry of Foreign Affairs;
  - d. Ministry of Agriculture, Cattle-Raising, and Supply;
  - e. Ministry of Agrarian Development;
  - f. Ministry of Science and Technology;
  - g. Office of the President's Chief of Staff;

- h. Secretariat for Strategic Affairs of the Presidency; and
  - i. The Brazilian Development Bank (BNDES).
- II. state governments – a representative from each of the governments of the Legal Amazon States that have a state plan for preventing and combating deforestation; and
- III. civil society – one representative from each of the following organizations:
- a. Brazilian Forum of NGOs and Social Movements for the Environment and Development (FBOMS);
  - b. Coordination of Indigenous Organizations of the Brazilian Amazon (COIAB);
  - c. National Confederation of Industry (CNI);
  - d. National Forum of Forest-Based Activities (FNABF);
  - e. National Confederation of Agricultural Workers (CONTAG); and
  - f. Brazilian Society for the Advancement of Science (SBPC).

Paragraph 1 – COFA members shall be nominated by heads of agencies and entities referred to in items I to III of the preamble and appointed by the president of the BNDES, for a term of two years, renewable once for the same period.

Paragraph 2 – The COFA, which shall ordinarily meet once every six months and extraordinarily at any time when called by its President, shall ensure the commitment of the Amazon Fund's initiatives to PAS and PPCDAM, establishing:

- I. guidelines and criteria for allocating resources; and
- II. COFA internal regulations.

Paragraph 3 – The COFA shall be chaired by a representative of the federal government agencies referred to in item I of the preamble, with a term of two years, of which the first term shall be exercised by a representative of the Ministry of the Environment.

Paragraph 4 – The COFA deliberations should be adopted by consensus among the segments defined in items I to III of the preamble.

Paragraph 5 – The COFA Executive Secretary shall be managed by the BNDES.

**Article 5** – Participation in the CTFA and the COFA shall be considered a service of relevant public interest and shall not entail any remuneration of any nature.

**Article 6** – The BNDES shall present to the COFA, for approval, biannual information on the allocation of resources and the Amazon Fund's annual report.

**Article 7** – The BNDES shall annually contract external auditing services to verify the correct allocation of the resources referred to in the preamble of Article 1.

**Article 8** – This Decree shall enter into force on the date of its publication.

*Brasília, August 1, 2008; 187th of the Independency and 120th of the Republic.*

LUIZ INÁCIO LULA DA SILVA  
MIGUEL JORGE  
CARLOS MINC

## ANNEX 2



## COFA MEMBERS AND DEPUTIES IN 2014

### Federal Government

#### MINISTRY OF THE ENVIRONMENT

Francisco Gaetani  
Carlos Augusto Klink

#### MINISTRY OF DEVELOPMENT, INDUSTRY AND FOREIGN TRADE

Beatriz Martins Carneiro  
Demétrio Florentino de Toledo Filho

#### MINISTRY OF FOREIGN AFFAIRS

José Raphael Lopes Mendes de Azeredo  
Everton Frask Lucero

#### MINISTRY OF AGRICULTURE, CATTLE-RAISING AND FOOD SUPPLY

Caio Tibério Dornelles da Rocha  
Erikson Camargo Chandoha

#### MINISTRY OF AGRICULTURAL DEVELOPMENT

João Luiz Guadagnin  
Carlos Eduardo Portela Sturm

#### MINISTRY OF SCIENCE, TECHNOLOGY AND INNOVATION

Osvaldo Luiz de Moraes  
Andréa Ferreira Portela Nunes

#### CHIEF OF STAFF OF THE PRESIDENCY OF THE REPUBLIC

Leíza Martins Mackay Dubugras  
Anael Aymoré Jacob

#### SECRETARIAT OF STRATEGIC AFFAIRS OF THE PRESIDENCY OF THE REPUBLIC

Sergio Margulis  
Natalie Unterstell

#### THE BRAZILIAN DEVELOPMENT BANK (BNDES)

Guilherme Narciso de Lacerda  
Gabriel Rangel Visconti

### States in the Amazon

#### THE STATE OF ACRE

Carlos Edegard de Deus  
Magaly da Fonseca e Silva Tavares de Medeiros

#### THE STATE OF AMAPÁ

Oberdan Mascarenhas de Andrade  
Claudia Funi

#### THE STATE OF AMAZONAS

Kamila Botelho do Amaral  
Luís Henrique Piva

#### THE STATE OF MARANHÃO

Genilde Campagnaro  
João Bernardo de Azevedo Bringel

#### THE STATE OF MATO GROSSO

José Esteves de Lacerda Filho  
Eulinda de Campos Lopes



**THE STATE OF PARÁ**

José Alberto da Silva Colares  
Justiniano Queiroz Netto

**THE STATE OF RONDÔNIA**

Vilson de Salles Machado  
Francisco de Sales Oliveira dos Santos

**THE STATE OF RORAIMA**

Luís Emi de Sousa Leitão  
Wagner Severo Nogueira

**THE STATE OF TOCANTINS**

Alexandre Tadeu de Moraes Rodrigues  
Rubens Pereira Brito

**Civil Society****NATIONAL CONFEDERATION OF INDUSTRY (CNI)**

Mario Augusto de Campos Cardoso  
Deryck Martins

**COORDINATION OF THE INDIGENOUS ORGANIZATION OF THE BRAZILIAN AMAZON (COIAB)**

Kleber Luis Santos dos Santos  
João Paulo Lima Barreto

**NATIONAL CONFEDERATION OF AGRICULTURAL WORKERS (CONTAG)**

Antoninho Rovaris  
Alessandra da Costa Lunas

**BRAZILIAN FORUM OF NGOS AND SOCIAL MOVEMENTS FOR THE ENVIRONMENT AND DEVELOPMENT (FBOMS)**

João Bosco Campos dos Santos  
Adriana de Carvalho Barbosa Ramos Barretto

**NATIONAL FORUM FOR FOREST-BASED ACTIVITIES (FNBF)**

Ramiro Azambuja da Silva  
Geraldo Bento

**BRAZILIAN SOCIETY FOR THE PROGRESS OF SCIENCE (SBPC)**

Niro Higuchi  
Marcio de Castro Silva Filho

**THROUGHOUT 2014, THE FOLLOWING MEMBERS WERE INVOLVED****Federal Government****MINISTRY OF THE ENVIRONMENT**

Izabella Mônica Vieira Teixeira  
Responsible up to 10.22.2014

**MINISTRY OF FOREIGN AFFAIRS**

Felipe Rodrigues Gomes Ferreira  
Responsible up to 24.3.2014  
Thiago Medeiros da Cunha Cavalcanti  
Deputy up to 24.3.2014

**MINISTRY OF SCIENCE, TECHNOLOGY AND INNOVATION**

Carlos Afonso Nobre

Responsible up to 22.10.2014

**State in the Amazon****THE STATE OF ACRE**

Eufraan Ferreira do Amaral

Responsible up to 3.4.2014

Fabio Vaz de Lima

Deputy up to 3.4.2014

**THE STATE OF AMAPÁ**

Grayton Tavares Toledo

Responsible up to 22.10.2014

Fabrício de Paula Gomes

Deputy up to 22.10.2014

**THE STATE OF AMAZONAS**

Alexsandra de Souza Santiago

Deputy up to 22.10.2014

**THE STATE OF MARANHÃO**

Carlos Victor Guterres Mendes

Responsible up to 22.10.2014

**THE STATE OF MATO GROSSO**

Heitor David Medeiros

Deputy up to 22.10.2014

**THE STATE OF RONDÔNIA**

Nanci Maria Rodrigues da Silva

Responsible up to 22.10.2014

**THE STATE OF TOCANTINS**

Alan Kardec Martins Barbiero

Responsible up to 1.4.2014

Marli Teresinha dos Santos

Deputy up to 1.4.2014

**Civil Society****NATIONAL CONFEDERATION OF INDUSTRY (CNI)**

Sérgio de Freitas Monforte

Responsible up to 22.10.2014

Luiz Augusto Nogueira Moura

Deputy up to 22.10.2014

**COORDINATION OF THE INDIGENOUS ORGANIZATION OF THE BRAZILIAN AMAZON (COIAB)**

Lúcio Paiva Flores

Responsible up to 22.10.2014

Joênia Batista de Carvalho

Deputy up to 22.10.2014

**BRAZILIAN FORUM OF NGOS AND SOCIAL MOVEMENTS FOR THE ENVIRONMENT AND DEVELOPMENT (FBOMS)**

Jorge Pinto da Silva

Responsible up to 10.22.2014

Mauro José Capóssole Armelin

Deputy up to 10.22.2014

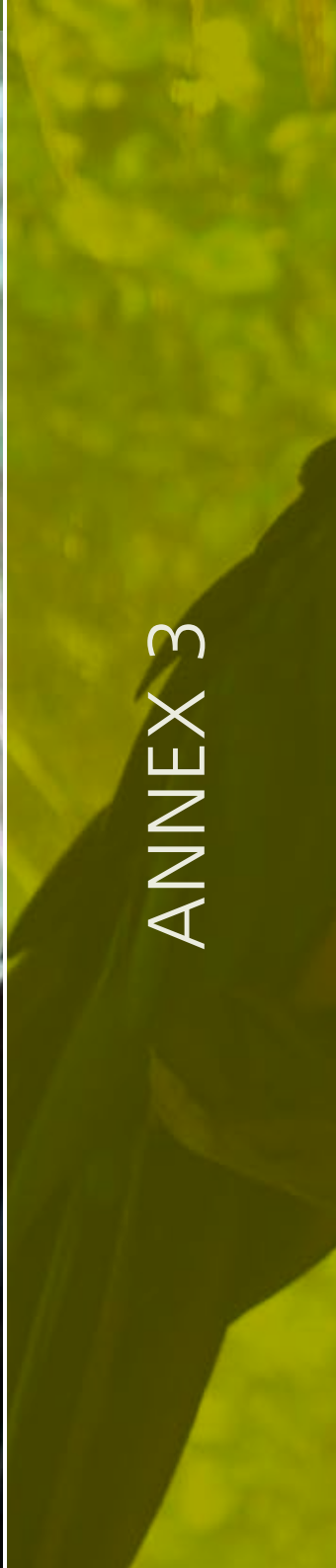
**BRAZILIAN SOCIETY FOR THE PROGRESS OF SCIENCE (SBPC)**

Helena Bonciani Nader

Responsible up to 10.22.2014

Ennio Candotti

Deputy up to 10.22.2014



## THE BNDES/AMAZON FUND TEAM

### The BNDES' Environmental Division (AMA)

**Deputy Managing Director**

Gabriel Rangel Visconti

**Head of the Legal Department**

Daniela Baccas

**Manager of the Legal Department**

Mariana Guimarães Lima

### The Amazon Fund's Management Department (DEFAM)

**Head of the Department**

Juliana de Mello Queiroz Santiago

**Throughout 2014, this was the team from the Environmental Division that was dedicated to the Amazon Fund**

Aline de Melo Brandão, Ana Paula de Almeida Silva, Ana Paula Donato de Aquino, André Banhara Barbosa de Oliveira, André Ferro dos Santos, Angela Albernaz Skaf, Bernardo Martim Ferreira Saavedra Félix, Bernardo Von Haehling Braune, Claudia Nessi Zonenschain, Cleber Zambarda, Daniel Nunes de Alencar Sato, Daniel Rossi Soeiro, Dílson Ojeda Pires, Eduardo Bizzo de Pinho Borges, Eduardo Klingelhofer de Sá, Fábio Maciel Plotkowski, Fernando Souza da Silva, Gabriel Rebello Esteves Areal, Gil Vidal Borba, Guilherme Arruda Accioly, Jorge Reis de Vasconcellos Sandes, Jose Eduardo Rocha Pinto, Júlio Salarini Guiomar, Marcelo Ribeiro de Sá Martins, Marcio Teruo Onodera, Mariana Bloomsfield Coutinho, Pedro Ivo Bifano Guedes, Renata Del Vecchio Gessulo, Rodrigo Souza Pinto de Brito, Solon Eduardo Galhardo Sá and Thassio Gonçalves Ferreira

**Interns**

Henos Carlos Knupler Jordão Lisboa and Desiree Germana de Fatima Alvarez





## ANNEX 4



# INDEPENDENT AUDITORS' REPORT AND THE FINANCIAL STATEMENTS

**Fundo Amazônia**  
(Administered by Banco Nacional de Desenvolvimento  
Econômico e Social - BNDES)

***Financial statements***  
December 31, 2014 and 2013

KPDS 117203



**KPMG Auditores Independentes**  
 Av. Almirante Barroso, 52 - 4º  
 20031-000 - Rio de Janeiro, RJ - Brasil  
 Caixa Postal 2888  
 20001-970 - Rio de Janeiro, RJ - Brasil

Central Tel 55 (21) 3515-9400  
 Fax 55 (21) 3515-9000  
 Internet www.kpmg.com.br

## Independent auditors' report on the financial statements

To  
 The Administrator  
 Fundo Amazônia  
 Brasília - DF

We have audited the accompanying financial statements of Fundo Amazônia ("Fund"), which comprise the balance sheet as of December 31, 2014 and the related statements of income, changes in shareholders' equity and cash flows for the year ended December 31, 2014, as well as the summary of significant accounting policies and other notes to the financial statements.

### The Administrator's responsibility for the financial statements

The Fund's Administrator is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil applicable to nonprofit entities in accordance with the provisions of Resolution CFC 1409/2012 and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibility of the independent auditors

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Opinion**

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of Fundo Amazônia as of December 31, 2014 and the performance of its operations for the year then ended, in accordance with accounting practices adopted in Brazil applicable to nonprofit entities in accordance with the provisions of CFC Resolution 1409/2012.

Rio de Janeiro, April 30, 2015

KPMG Auditores Independentes  
CRC SP-014428/O-6 F-RJ

*(Original report in Portuguese signed by)*  
Lino Martins da Silva Junior  
Accountant CRC RJ-083314/O-7

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

BALANCE SHEETS  
 December 31, 2014 and 2013  
 (In thousands of reais)

	Note	2014	2013
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,768,599	1,463,071
Prepaid expenses	5	54,413	45,607
Total assets		<u>1,823,012</u>	<u>1,508,678</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Project funds	6	1,768,599	1,463,068
Support funds	7	54,413	45,607
SHAREHOLDERS' EQUITY			
Accumulated surplus		-	3
Total liabilities and shareholders' equity		<u>1,823,012</u>	<u>1,508,678</u>

*See the accompanying notes to the financial statements.*

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

STATEMENTS OF INCOME  
 Years ended December 31, 2014 and 2013  
*(In thousands of reais)*

	Note	2014	2013
INCOME			
Income from donations for investments	6	167,955	80,903
Income from donations for support	3.3	1,050	724
Financial income	4	154,786	30,471
EXPENSES			
Expenses with donations for investment	6	(167,955)	(80,903)
Expenses with remuneration of project funds	6	(154,786)	(30,471)
Administrative expenses	8	(1,050)	(724)
SURPLUS /DEFICIT FOR THE YEAR		-	-

*See the accompanying notes to the financial statements.*

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
December 31, 2014 and 2013  
*(In thousands of reais)*

	Accumulated surplus
Balance at January 01, 2013	3
Fiscal year 2013	-
Balance at December 31, 2013	3
Return to BNDES	(3)
Fiscal year 2014	-
Balance at December 31, 2014	-

*See the accompanying notes to the financial statements.*

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

STATEMENTS OF CASH FLOWS  
December 31, 2014 and 2013  
(In thousands of reais)

	<i>Note</i>	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES			
Return to BNDES		(3)	-
Expenses with remuneration of project resources	6	154,786	30,471
Proceeds from operating activities		154,783	30,471
FINANCING ACTIVITIES			
Funds raised for projects	6	318,700	1,422,615
Funds invested in projects	6	(167,955)	(80,903)
Funds from financing activities		150,745	1,341,712
INCREASE IN CASH AND CASH EQUIVALENTS		<u>305,528</u>	<u>1,372,183</u>
Cash and cash equivalents at beginning of year		1,463,071	90,888
Cash and cash equivalents at end of year	4	<u>1,768,599</u>	<u>1,463,071</u>
INCREASE IN CASH AND CASH EQUIVALENTS		<u>305,528</u>	<u>1,372,183</u>

*See the accompanying notes to the financial statements.*

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

Notes to the financial statements  
 Years ended December 31, 2014 and 2013  
 (In thousands of reais)

## 1. CONTEXT OF ACTIVITIES

The purpose of Fundo Amazônia, created by BNDES Resolution 1,640, of September 3, 2008, starting its activities on October 9, 2009, is to raise donations for non-reimbursable investments in actions for prevention, monitoring and combating deforestation and for encouraging conservation and sustainable use of the forests in the Amazon biome, in the terms of Decree 6,527 of August 1, 2008.

Fundo Amazônia supports projects in the following areas:

- Management of public forests and protected areas;
- Environmental control, monitoring and surveillance;
- Sustainable forest management;
- Economic activities arising from the sustainable use of forests;
- Ecological and economic zoning, land use and land tenure;
- Conservation and sustainable use of biodiversity, and
- Recovery of deforested areas.

The management of Fundo Amazônia is the responsibility of Banco Nacional de Desenvolvimento Econômico e Social - BNDES, where amongst others it is responsible for fundraising, contracting and monitoring projects and supported actions, as well as acting as a legal representative.

Fundo Amazônia has a Steering Committee - COFA which is responsible for determining its guidelines and monitoring the results. The members of this committee are not paid for their duties, since their tasks are considered services of public interest.

Fundo Amazônia has no legal personality, and its transactions are written up in specific accounts of the accounting records of Banco Nacional de Desenvolvimento Econômico e Social - BNDES.

## 2. PREPARATION BASIS

The financial statements were prepared and are being presented in accordance with accounting practices adopted in Brazil for nonprofit entities, according to NBC (Brazilian Accounting Standard) - 10.19, approved by Resolution 877 of April 18, 2000, issued by the Federal Accounting Council.

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

Notes to the financial statements  
 Years ended December 31, 2014 and 2013  
 (In thousands of reais)

**a. Valuation basis**

The financial statements were prepared based on the historical cost, except for financial investments recorded as financial instruments measured at fair value through profit or loss.

On April 30, 2015, the Amazônia Fund Manager authorized the conclusion of these financial statements.

**b. Functional currency**

The Administrator concluded that the Fund's functional currency is the Real.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies described in detail below have been applied consistently to all the years presented in these financial statements.

**3.1 Cash and cash equivalents**

Cash and cash equivalents include bank deposits and financial investments with immediate liquidity with the administrator and with an insignificant risk of change in market value. The yields from the investments made with the administrator are pegged to the variation of the quota of the invested fund as described in Note 4.

**3.2 Project Funds**

It refers to the balance of donations received and not yet invested in projects, including income derived from the investment of these funds.

In conformity with Decree 6,527 of August 1, 2008, 97% of the funds received are allocated to projects. The amounts are recorded as liabilities, less the expenses incurred of each project, since they do not result in an increase or decrease in the Entity's equity, considering that the Fund is only the collecting and forwarding agent for execution of the projects.



**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

Notes to the financial statements  
 Years ended December 31, 2014 and 2013  
 (In thousands of reais)

### 3.3 Donations for support

Pursuant to paragraph 3 of Article 1 of Decree 6527/2008, BNDES should separate the amount equivalent to 3% of the value of the donations to cover its operating costs and expenses related to Fundo Amazônia. The portion of the donations for support, up till November 2012, was 100% accounted for as revenue in the period when actually received. However, after that date, support revenues related to 3% of the donations came to be counted as "support funds", being recognized as revenue resource utilization by BNDES. The transfer register of 3% accomplished to BNDES is presented as "prepaid expenses" and appropriated as "Administrative Expenses" accordance with the need to usage the BNDES.

### 3.4 Statement of Cash Flows

The Fund elected the indirect method for the presentation of this statement. The funds received from projects were treated as financing activities, considering that the Fund only acts as a collecting agent and forwarder of these funds.

## 4. CASH AND CASH EQUIVALENTS

Their breakdown is as follows:

	2014	2013
Funds not invested	-	3
Financial investment with the administrator (*)	1,768,599	1,463,068
<b>TOTAL</b>	<b><u>1,768,599</u></b>	<b><u>1,463,071</u></b>

(\*) The Administrator maintains the Fund's resources invested in the investment fund BB Gaia Fundo de Investimento Renda Fixa, which has a portfolio strategy based on government bonds of the Brazilian government and with BB Gaia II Fundo de Investimento em Cotas de Fundo de Investimento Renda Fixa, which concentrates at least 95% of its investments in shares of BB Gaia Fundo de Investimento em Renda Fixa. Both funds are established in a daily liquidity basis.

In conformity with Decree 6527 of August 1, 2008, the percentage of 97% of the donations received is earmarked for investment in projects. The Fund separates these funds in specific investment account. Resources, while not directed to projects, are invested by BNDES in the abovementioned exclusive funds managed by BB DTVM and remunerated based on the yield index of each one.

**FUNDO AMAZÔNIA**  
**(Administered by Banco Nacional de Desenvolvimento**  
**Econômico e Social - BNDES)**

Notes to the financial statements  
 Years ended December 31, 2014 and 2013  
 (In thousands of reais)

Additionally, the wholly owned fund Gaia II FIC was created in response to Board Decision 832/2012, which established the accounting segregation of the funds raised from Brazilian public sources, which cannot be allocated to projects carried out by the Federal Government.

The changes in cash and cash equivalents are as follows:

	<b>2014</b>			
	Total	Funds for projects (Gaia FI)	Funds for projects (Gaia II FIC)	Funds for support
<b>Balance at January 01, 2014</b>	<b>1,463,071</b>	<b>1,457,534</b>	<b>5,534</b>	<b>3</b>
Return to BNDES	(3)	-	-	(3)
Yield (*)	154,786	154,148	638	-
Resources held by BNDES (3%)	(9,857)	-	-	(9,857)
Funds released	(167,955)	(167,955)	-	-
Donations received	328,557	317,277	1,423	9,857
Norwegian Ministry of Foreign Affairs	288,991	280,321	-	8,670
KFW	38,099	36,956	-	1,143
Petrobras	1,467	-	1,423	44
<b>Balance at December 31, 2014</b>	<b>1,768,599</b>	<b>1,761,004</b>	<b>7,595</b>	<b>-</b>

(\*) Including the amount of R\$110 concerning the earnings on amounts which have not been used.

	<b>2013</b>			
	Total	Funds for projects (Gaia FI)	Funds for projects (Gaia II FIC)	Funds for support
<b>Balance at January 01, 2013</b>	<b>90,888</b>	<b>90,885</b>	<b>-</b>	<b>3</b>
Transfer - GAIA II		(5,085)	5,085	
Yield	30,471	30,344	127	-
Resources held by BNDES (3%)	(43,998)	-	-	(43,998)
Funds released	(80,903)	(80,903)	-	-
Donations received	1,466,613	1,422,293	322	43,998
Norwegian Ministry of Foreign Affairs	1,449,642	1,406,153	-	43,489
KFW	15,954	15,476	-	479
Petrobras	1,017	664	322	30
<b>Balance at December 31, 2013</b>	<b>1,463,071</b>	<b>1,457,534</b>	<b>5,534</b>	<b>3</b>

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Notes to the financial statements  
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**5. PREPAID EXPENSES**

The balance of prepaid expenses consists of the equivalent of 3% of the amount of donations, held by BNDES to cover the operating costs of Fundo Amazônia, net of the amounts recognized as “Administrative expenses” in Fundo Amazônia in accordance with their use by BNDES.

**6. PROJECT FUNDS**

The balance of project funds was received from the following donors, the Norwegian Ministry of Foreign Affairs, KFW and Petrobras and are earmarked for specific projects, and linked to the objective of Fundo Amazônia.

The changes in the project funds are as follows:

	<u><b>2014</b></u>
<b>Balance at January 01, 2014</b>	1,463,068
Yields	154,786
Funds released	(167,955)
Donations received (*)	318,700
<b>Balance at December 31, 2014</b>	<u><b>1,768,599</b></u>

	<u><b>2013</b></u>
<b>Balance at January 01, 2013</b>	90,885
Yields	30,471
Funds released	(80,903)
Donations received (*)	1,422,615
<b>Balance at December 31, 2013</b>	<u><b>1,463,068</b></u>

(\*) Net amount of the portion of 3% intended to cover costs.

The amount of R\$ 167,955 (R\$ 80,903 in 2013) is recorded in the statement of income as “Income from donations for investments” and “Expenses with donations for investments”, canceling each other due to the fact that Fundo Amazônia is a nonprofit entity.

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Since the commencement of operations until December 31, 2014, Fundo Amazônia has received funds from the following donors:

<b>Donor</b>	<b>Up to 2014</b>		
	<b>Support funds 3%</b>	<b>Project funds 97%</b>	<b>Total 100%</b>
Norwegian Ministry of Foreign Affairs	58,287	1,884,648	1,942,935
KFW	1,821	58,876	60,697
Petrobras	312	10,101	10,413
<b>Total</b>	<b>60,420</b>	<b>1,953,625</b>	<b>2,014,045</b>

<b>Donor</b>	<b>Up to 2013</b>		
	<b>Support funds 3%</b>	<b>Project funds 97%</b>	<b>Total 100%</b>
Norwegian Ministry of Foreign Affairs	49,617	1,604,327	1,653,944
KFW	678	21,920	22,598
Petrobras	268	8,678	8,946
<b>Total</b>	<b>50,563</b>	<b>1,634,925</b>	<b>1,685,488</b>

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The amounts released for projects are presented in the table below:

Abbreviated name of the Project	Contracted	Total	Released	Total	Cancellations	Balance
		up to 2013	2014	Released	2014 (**)	to be released
STATE OF ACRE	60,000	36,557	8,833	45,390	-	14,610
STATE OF ACRE - CAR	16,838	-	5,581	5,581	-	11,257
ALTA FLORESTA/STATE OF MATO GROSSO (MT)	2,782	2,782	-	2,782	-	-
ALTA FLORESTA/ STATE OF MATO GROSSO (MT) II	7,183	603	4,545	5,148	-	2,035
STATE OF AMAPÁ	40,304	-	-	-	-	40,304
STATE OF AMAZONAS	20,000	17,516	-	17,516	-	2,484
ANAPU/STATE OF PARÁ (PA)	432	-	-	-	432	-
ASSEMA	5,286	-	-	-	-	5,286
FIRE BRIGADE OF THE STATE OF ACRE (AC)	13,281	5,835	7,373	13,208	-	73
FIRE BRIGADE OF THE STATE OF MATO GROSSO (MT) III	12,625	8,269	3,455	11,724	-	901
FIRE BRIGADE OF THE STATE OF PARÁ (PA)	16,830	16,830	-	16,830	-	-
FIRE BRIGADE OF THE STATE OF RONDÔNIA (RO) I	15,041	4,324	6,307	10,631	-	4,410
FIRE BRIGADE OF THE STATE OF RORAIMA (RR)	12,800	-	-	-	-	12,800
FIRE BRIGADE OF THE STATE OF TOCANTINS (TO) III	5,000	2,928	1,695	4,623	-	377
CARLINDA/STATE OF MATO GROSS (MT)	1,871	1,507	151	1,658	-	213
CENTRO TRABALHO INDIGENISTA	19,043	-	-	-	-	19,043
COOPAVAM	5,289	-	2,187	2,187	-	3,102
COOPERACRE	5,082	-	-	-	-	5,082
COTRIGUAÇU/STATE OF MATO GROSSO (MT)	1,982	-	-	-	-	1,982
CTA	3,238	-	-	-	-	3,238
ECAM	1,452	-	-	-	-	1,452
FAS BOLSA FLORESTA/2009-2013	19,169	14,234	4,932	19,166	-	3
FASE/FUNDO DEMA	9,347	2,751	2,093	4,844	-	4,503
FEMARH RORAIMA	10,821	-	-	-	-	10,821
FUNBIO/ARPA II	20,000	17,499	2,450	19,949	-	51
FUNBIO/KAYAPO	16,900	7,351	-	7,351	-	9,549
FUNDAÇÃO BANCO DO BRASIL	12,000	-	-	-	-	12,000
FUNDAÇÃO BANCO DO BRASIL	15,000	6,687	2,834	9,521	-	5,479
FUNDAÇÃO JARI	2,839	-	-	-	-	2,839
IBAM	18,853	1,176	2,408	3,584	-	15,269
IBAMA	14,717	-	4	4	-	14,713
IFT	7,449	6,672	777	7,449	-	-

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Abbreviated name of the Project	Contracted	Total up to 2013	Released 2014	Total Released	Cancellations 2014 (**)	Balance to be released
IMAFLORA	3,313	-	352	352	-	2,961
IMASUL	8,790	-	-	-	-	8,790
IMAZON	9,736	8,314	1,422	9,736	-	-
INPE / FUNCATE	66,952	-	-	-	-	66,952
INSTITUTO MAMIRAUÁ	8,505	1,239	921	2,160	-	6,345
INSTITUTO PEABIRU	2,030	-	518	518	-	1,512
INSTITUTO SOCIOAMBIENTAL	8,024	-	1,825	1,825	-	6,199
IOV SEMENTES DO PORTAL	5,423	5,423	(26) *	5,397	26	-
IOV SEMENTES DO PORTAL II	16,086	-	3,003	3,003	-	13,083
IPAM	24,939	8,455	4,023	12,478	-	12,461
INEMA/SEMA, BAHIA	31,671	-	1,023	1,023	-	30,648
ISPN	12,844	2,927	1,854	4,781	-	8,063
JACUNDA/STATE OF PARÁ (PA)	792	-	199	199	-	593
STATE OF MARANHÃO	20,036	-	7,206	7,206	-	12,830
MARCELANDIA/STATE OF MATO GROSSO (MT) - REC, APP	669	182	65	247	-	422
STATE OF MATO GROSSO	35,016	-	1,812	1,812	-	33,204
MUSA	8,454	5,719	2,735	8,454	-	-
OPAN	6,365	-	-	-	-	6,365
OTCA - MONIT, AMAZONIA REGIONAL	23,694	4,700	-	4,700	-	18,994
STATE OF PARÁ	82,378	-	24,058	24,058	-	58,320
PORTO DE MOZ/MT	337	-	-	-	337	-
PORTO DOS GAUCHOS/STATE OF MATO GROSS (MT)	134	121	-	121	13	(0)
RECA	4,752	-	-	-	-	4,752
RIOTERRA	9,117	-	3,453	3,453	-	5,664
ENVIRONMENT AGENCY, PARÁ	15,923	11,782	856	12,638	-	3,285
ENVIRONMENT AGENCY, TOCANTINS	40,504	-	19,639	19,639	-	20,865
SECRET. DES. AMBIENTAL, RONDÔNIA	32,660	-	10,642	10,642	-	22,018
SECRET. POVOS IND., AMAZONAS	16,465	-	2,950	2,950	-	13,515
SECRET. PROD. RURAL, AMAZONAS	14,900	-	5,900	5,900	-	9,000
BRAZILIAN FOREST SERVICE	65,000	-	4,967	4,967	-	60,033
TNC BRASIL	16,000	11,613	4,387	16,000	-	-
TNC BRASIL (PNGATI)	15,750	-	1,280	1,280	-	14,470
UEA CARTOGRAFIA SOCIAL	4,615	3,788	827	4,615	-	-
UFPA BIODIVERSITY	4,640	765	3,875	4,640	-	-
UFPA BIOACTIVE COMPOUNDS	1,352	-	1,074	1,074	-	278

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Abbreviated name of the Project	Contracted	Total	Released	Total	Cancellations	Balance
		up to 2013	2014	Released	2014 (**)	to be released
UFPA MANGROVE FORESTS	1,982	1,080	456	1,536	-	446
UFPA ISLANDS OF BELEM	1,138	621	258	879	-	259
UFPA/NAEA AMAZON FORUM	2,704	2,704	-	2,704	-	-
WWF-Brasil	3,206	-	776	776	-	2,430
<b>Total</b>	<b>1,040,350</b>	<b>222,954</b>	<b>167,955</b>	<b>390,909</b>	<b>808</b>	<b>648,633</b>

(\*) Return of the principal which has not been allocated, amounting of R\$26, and reallocated to cash and cash equivalents, as per Note 4.

(\*\*) Cancellation, including the cancellation of transactions which were just contracted.

#### 7. SUPPORT FUNDS

The balance of costing funds refers to the portion of the donation (3%) retained by BNDES not yet recognized as "Donation revenue". The recognition of the donation revenue occurs according to the use of resources by BNDES.

#### 8. ADMINISTRATIVE EXPENSES

In the year ended December 31, 2014, the amount of R\$1,050 (2013 - R\$724) was recognized as administrative expense (the most significant administrative expenses were related to trips cost, audit services and advertising services).

#### 9. TAXES

All tax obligations that perchance exist on account of transactions in the sphere of Fundo Amazônia are the responsibility of BNDES, as the Fund does not have its own legal personality, and its transactions are written up in specific bookkeeping accounts of BNDES.

#### PIS and COFINS

According to Article 1 of Law 11,828, of November 20, 2008, amended by Law 12.810, of May 15, 2013, donations in cash received by public financial institutions controlled by the Government and intended for actions to prevent, monitor and combat deforestation, including compensation programs for environmental services, and promoting conservation and sustainable use of Brazilian biomes are exempted from PIS-PASEP and from the Contribution for the Financing of Social Security (COFINS).



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Before the amendment of May 15, 2013, Law 11,828 provided effects suspending the levy covering donations whose distribution was made within a maximum period of two years as from the month following the receipt of the donation, requiring, in the event of non distribution during this period, the collection of unpaid contributions, plus interest and a fine on arrears, in the terms of the law.

**Income tax and social contribution**

There is no income to be presented for taxation of income tax (IRPJ) and social contribution on net income (CSLL) as the income from a donation is recognized at the same time as the recognition of operating expenses with projects envisioned within the sphere of Fundo Amazônia, as approved by the solution to request for a ruling 59 SRRF07/Disit of 06/08/2009, made by BNDES to the Federal Revenue Department.

**10. RELATED PARTY TRANSACTIONS**

The Fundo Amazônia has a relationship with Banco Nacional do Desenvolvimento Econômico e Social - BNDES, which is authorized to distribute the value of the donations received in cash, for realizing non-reimbursable investments in actions for preventing, monitoring, and combating deforestation and promoting conservation and sustainable use of the Amazon biome. This relationship refers to the amounts corresponding to “cash and cash equivalents” (in accordance with note 4), which are encountered in bank accounts, held by BNDES.

Additionally, BNDES holds the amount equivalent to 3% of the amount of the donations to cover its operating costs and expenses related to Fundo Amazônia, refer to further explanations in Note 5 (prepaid expenses).

**11. SHAREHOLDERS' EQUITY**

The shareholders' equity of Fundo Amazônia is composed of the surplus/deficit for the years.

**FUNDO AMAZÔNIA**  
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**12. RISK MANAGEMENT**

At December 31, 2014 and 2013 the Fund presents no material credit, liquidity, market and operational risks, as it has very limited operations. The Fund has a concentration of credit risk with its Administrator as presented in Note 4. The carrying amount represents the amount of the credit risk of the Fund.

**JOSE HENRIQUE PAIM FERNANDES**  
 Director

**SELMO ARONOVICH**  
 Superintendent of the Financial Department

**CARLOS FREDERICO RANGEL DE CARVALHO SILVA**  
 Head of the Accounting Department  
 Accountant  
 CRC-RJ 087956/O-8



Photo: Mariana Bloomfield

## ANNEX 5



# COMPLIANCE AUDIT REPORT

**BANCO NACIONAL DE DESENVOLVIMENTO  
ECONÔMICO E SOCIAL - BNDES**

**Independent auditors' limited assurance  
report**

JC/CMO/LL/YTV

2097i/15

**BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES****Contents****Independent auditors' limited assurance report**

- 1. Introduction**
- 2. Applied procedures**
- 3. Scope and limitations**
- 4. Supported projects**
- 5. Environmental aspects of the analyzed projects related to Fundo Amazônia**
- 6. Conclusions**



Tel.: +55 21 2210 5166  
Fax: + 55 21 2224 5285  
www.bdobrazil.com.br

Rua Buenos Aires, 48  
4º andar - Centro  
Rio de Janeiro/RJ 20070-022

## INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

To the Directors of  
**Banco Nacional de Desenvolvimento Econômico e Social - BNDES**  
RIO DE JANEIRO - RJ

### 1. Introduction

We have been engaged with the purpose of applying limited assurance procedures, in order to verify the conformity of the projects supported by Fundo Amazônia in 2014 regarding the applicable standards and guidelines.

Our responsibility is to issue a limited assurance report on the conformity of the projects supported by Fundo Amazônia.

### 2. Applied procedures

The limited assurance procedures were performed according to Rule NBC TO 3000 - Assurance Engagement other than Audit and Review, issued by the Federal Accounting Council (CFC) and approved by Resolution CFC 1.160/2009, and according to ISAE 3000 - International Standard on Assurance Engagements, issued by the International Auditing and Assurance Standards Board (IAASB), both for assurance engagements other than audit or review of historical financial information.

The limited assurance procedures have included:

- a) Planning of the work considering relevance, coherence and volume of quantitative and qualitative information;
- b) Understanding of the methodology for analysis of projects through interviews with the management in charge of the information;
- c) Exams on the analysis reports, decisions of the board of directors and contracts, verification of the conformity with Decree nº 6.527, dated August 01, 2008, which addressees about the establishment of Fundo Amazônia by Banco Nacional de Desenvolvimento Econômico e Social (BNDES), particularly considering the contents of Article 1º, and the standards and guidelines of the Comitê Orientador do Fundo Amazônia (COFA - Orientation Committee of Fundo Amazônia);





- d) Assessment of the purpose (products and services), expected results and objectives of the projects analyzed by the technical teams of BNDES, approved by its board of directors, contracted or to be contracted, for verification of their conformity, when applicable, with the strategic orientations included in the Plano Amazônia Sustentável (PAS - Sustainable Amazonia Plan) and with tactic-operational guidelines of the Plano de Ação para a Prevenção e o Controle de Desmatamento na Amazônia Legal (PPCDAM - Action Plan for Prevention and Control of Deforestation in Legal Amazon);
- e) Comparison of quantitative and qualitative information included in the analysis reports and their conclusions with the decisions of the board of directors and the contracts signed between BNDES and the projects developers.

### 3. Scope and limitations

The purpose of our work was the application of limited assurance procedures regarding BNDES compliance with the requirements of Decree nº 6.527/2008 with respect to supportable actions, with guidelines and criteria established by the Comitê Orientador do Fundo Amazônia (COFA) and, when applicable, with strategic orientations included in the Plano Amazônia Sustentável (PAS - Sustainable Amazon Plan) and the tactic-operational guidelines of the Plano de Ação para Prevenção e o Controle do Desmatamento na Amazônia Legal (PPCDAM), not including verification of the fulfillment, by the projects beneficiaries, of the obligations contracted through BNDES.

The application of procedures and pertinent analysis were restricted to documents provided by BNDES and their authenticity was not object of validation.

The applied procedures do not represent an exam according to the Brazilian and international standards for audit of financial statements.

Our report does not provide limited assurance on the achievement of goals, results and expectations, and on information of subjective assessment.

Additionally, it was not foreseen the performance of physical verification of documents and procedures for identification of frauds.

### 4. Supported projects

In the performance of the limited assurance work, it was analyzed the approvals and contracting of non-reimbursable financial collaboration to projects during the 2014 period, including the following stages and executors:





#### a) Projects approved in 2013 and contracted in 2014

Operation nº 3465328 (*)	Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis (Ibama)
Operation nº 3469386 (*)	WWF-Brasil
Operation nº 3889434 (*)	Estado de Mato Grosso (Sema MT)
Operation nº 4663727 (*)	Instituto Socioambiental (ISA)
Operation nº 4488847 (*)	Estado do Amapá
Operation nº 4853474 (*)	Estado do Pará

#### b) Projects approved and contracted in 2014

Operation nº 3904720 (*)	Estado do Amazonas/Secretaria de Estado para os Povos Indígenas (Seind-AM)
Operation nº 4215040 (*)	Estado de Rondônia/Secretaria de Estado de Desenvolvimento Ambiental (Sedam-RO)
Operation nº 4662360 (*)	Cooperativa dos Agricultores do Vale do Amanhecer (Coopavam)
Operation nº 5184916 (*)	Instituto do Meio Ambiente e dos Recursos Hídricos do Estado da Bahia (Inhema) - Estado da Bahia/Secretaria Estadual do Meio Ambiente (Sema-BA)
Operation nº 4662289 (*)	Instituto Peabiru
Operation nº 4393965 (*)	Município de Cotriguaçu (MT)
Operation nº 4662284 (*)	Fundação Jari
Operation nº 4662287 (*)	Instituto de Manejo e Certificação Florestal e Agrícola (Imaflora)
Operation nº 4660705 (*)	Associação em Áreas de Assentamento no Estado do Maranhão (Assema)
Operation nº 4663831 (*)	Associação do Centro de Tecnologia Alternativa (CTA)
Operation nº 4839312 (*)	Instituto de Conservação Ambiental - The Nature Conservancy do Brasil (TNC Brasil)
Operation nº 4662356 (*)	Cooperativa Central de Comercialização Extrativista do Estado do Acre (Cooperacre)
Operation nº 5126085 (*)	Instituto de Meio Ambiente de Mato Grosso do Sul (Imasul)
Operation nº 3887535 (*)	Equipe de Conservação da Amazônia (Ecam)
Operation nº 3908361 (*)	Instituto Nacional de Pesquisas Espaciais (Inpe) / Fundação de Ciência, Aplicações e Tecnologia Espaciais (Funcate)
Operation nº 5200045 (*)	Fundação Banco do Brasil (FBB)
Operation nº 5106877 (*)	Centro de Trabalho Indigenista (CTI)

#### c) Projects approved in 2014 to be contracted/contracted in 2015

Operation nº 5429845 (*)	Fundação Estadual do Meio Ambiente e Recursos Hídricos de Roraima (FEMARH)
Operation nº 5304928 (*)	Estado de Roraima/Corpo de Bombeiros Militar do Estado de Roraima
Operation nº 4663726 (*)	Associação dos Pequenos Agrossilvicultores do Projeto Reca
Operation nº 4663721 (*)	Operation Amazônia Nativa (Opan)

(\*) BNDES internal numbering



## 5. Environmental aspects of the analyzed projects related to Fundo Amazônia

At the end of this work we have elements that contribute for a better understanding of the subject in relation to the current stage and future perspectives in order to help the decision-making process. There is a big opportunity for promotion of environmental, social and economical development and preservation of the forest in the sphere of the fund, with real perspective of containment of deforestation in the Legal Amazon and feasibility of alternatives for protection and sustainable use of the forest, based on mechanisms and processes included in PPCDAM - Plano de Ação para Prevenção e Controle do Desmatamento na Amazônia Legal, PAS - Plano Amazônia Sustentável, and in the legal area Decree nº 6.527/2008 and Law nº 12.187/2009.

In the analysis of the proposed projects, procedures and criteria used for granting funds deriving from Fundo Amazônia, it becomes explained the points that guide the scope of these projects, as well as the grating of funds: land and property planning; monitoring and control; encouragement to sustainable productive activities; scientific and technological development.

## 6. Conclusions

- a) We have compared clauses of the contracts for granting financial collaboration to the projects listed in item 4, sub-item “a” (projects approved in 2013 and contracted in 2014) with the text of the decisions made by BNDES board of directors, which approved the financial contribution.

We have verified that the contracts maintained the purpose foreseen in the decisions made by BNDES board of directors, which approved the financial contribution to the projects. Also, we have verified that the contractual instruments have not introduced any changes that may have affected the conformity of the projects in relation to Decree nº 6.527/2008, criteria and guidelines of COFA and, when applicable, PPCDAM.

The analysis reports and decisions of the board of directors related to these projects were object of our assurance analysis, related to the 2013 period. The audit report issued on February 18, 2014 concluded as conformity of the projects in relation to Decree nº 6.527/2008, criteria and guidelines of COFA and, when applicable, to PAS and PPCDAM.



- b) We have compared the information included in the analysis reports of the projects listed in item 4, sub-items “b” and “c” (projects approved and contracted in 2014 and projects approved in 2014 to be contracted in 2015) with the requirements of Decree nº 6.527/2008, criteria and guidelines established by COFA and, when applicable, with the strategic orientations of the Plano Amazônia Sustentável (PAS) and with the tactic-operational guidelines of the Plano de Ação para a Prevenção e o Controle de Desmatamento na Amazônia Legal (PPCDAM).

Non-conformities were not found.

- c) We have compared the text of the decisions made by BNDES board of directors, which approved financial collaboration to the projects listed in item 4, sub-items “b” and “c” (projects approved and contracted in 2014 and projects approved in 2014 to be contracted/contracted in 2015) with the information included in the analysis reports.

We have verified that in the approval by BNDES board of directors, the purpose of the projects were kept, object of the reports issued by the technical teams of BNDES. We have also verified that the decisions made by the board of directors did not introduce any changes that may have affected the conformity of the projects with Decree nº 6.527/2008, the criteria and guidelines of COFA and, when applicable, with PAS and PPCDAM.

- d) We have compared the clauses of the contracts for granting financial collaboration to the projects listed in item 4, sub-item “b” (projects approved and contracted in 2014) with the text of the decisions made by BNDES board of directors.



We have verified that it was maintained in the contracts the purpose foreseen in the decisions made by BNDES board of directors, which approved financial collaboration to the projects. We have also verified that the contractual instruments did not introduce any changes that may have affected the conformity of the projects with Decree nº 6.527/2008, criteria and guidelines of COFA and, when applicable, with PAS and PPCDAM.

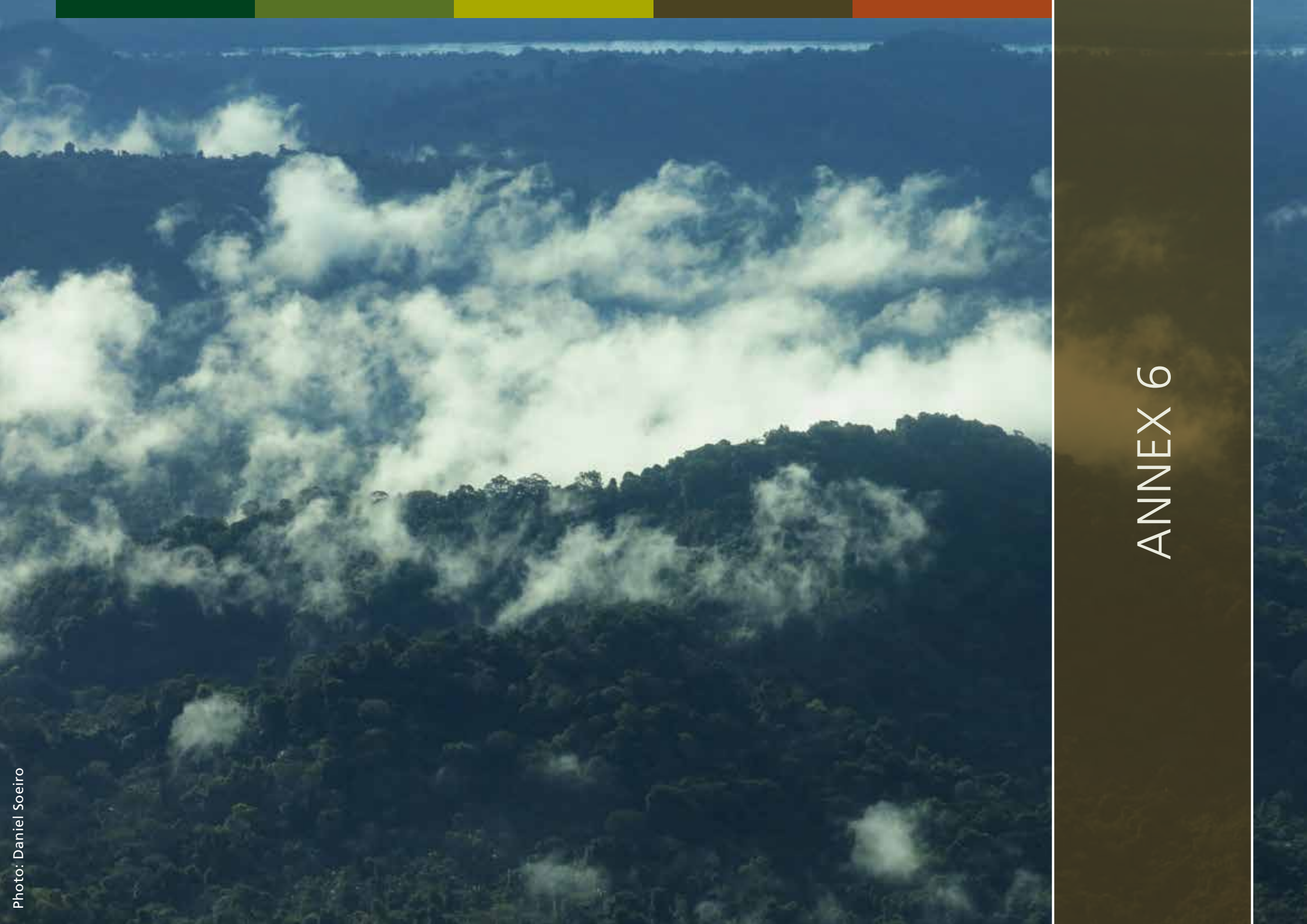
Rio de Janeiro, April 28, 2015



BDO RCS Auditores Independentes SS  
CRC 2 SP 013846/O-1-S-RJ

Julian Clemente  
Contador CRC 1 SP 197232/O-6-S-RJ

Cristiano Mendes de Oliveira  
Contador CRC 1 RJ 078157/O-2



## ANNEX 6

## GUIDELINES AND CRITERIA TO APPLY RESOURCES AND FOCUS EFFORTS IN 2013 AND 2014

The norms and criteria for investing resources from the Amazon Fund encompass the standards established by COFA concerning the guidelines, minimum requirements for projects, as well as modalities, restrictions, equality criteria and limits when applying resources.

### Guidelines and criteria to apply Amazon Fund's resources Consolidation: 3.14.2013

AMAZON BIOME PROJECTS		PROJECTS IN OTHER BIOMES IN BRAZIL		PROJECTS IN OTHER TROPICAL COUNTRIES	
A	Guidance criteria	G1-G4	Guidance criteria	H1-H3	Guidance criteria
B	Minimum requirements for projects	G5-G14	Minimum requirements for projects	H4-H12	Minimum requirements for projects
C	Resource application modalities	G15-G16	Resource application modalities	H13-H14	Resource application modalities
D	Resource use restrictions	G17-G19	Resource use restrictions	H15-H17	Resource use restrictions
E	Equality criteria in resource application	G20	Equality criteria in resource application	H18	Equality criteria in resource application
F	Resource application limitations				

### FOCUS TO SUPPORT THE AMAZON FUND IN 2013 AND 2014

I1-I4	General guidance
I5-I10	Amazon Biome – Monitoring and control
I11-I15	Amazon Biome – Fostering sustainable production activities
I16-I18	Amazon Biome – Land-title regularization and land-use planning
I19-I24	Amazon Biome – Land-title regularization and land-use planning
I25-I27	Operational modalities
I28	Amazon Fund support for other biomes in Brazil
I29	Amazon Fund support for other tropical countries

### Guidelines and criteria to apply the Amazon Fund's resources in the Amazon Biome

APPLICATION	APPLICATION LIMIT OF THE TOTAL RESOURCES AVAILABLE IN THE YEAR	TABLES
Amazon Biome projects	No limits	A-F

GUIDANCE CRITERIA	
CODE	CRITERIA
A1	Geography
A2	Topic
A3	Diversity of agents involved and shared governance
A4	Target audience
A5	Importance

RESOURCE APPLICATION MODALITIES	
CODE	MODALITIES
C1	Direct application – Investment
C2	Direct application – Financing
C3	Payment for environmental services
C4	Long-term continued services
C5	Indirect application
RESOURCE USE RESTRICTIONS	

A6	BNDDES' application lines
<b>MINIMUM REQUIREMENTS FOR PROJECTS</b>	
<b>CODE</b>	<b>CONDITIONS</b>
B1	Result indicators
B2	Applicants/Executors
B3	Social participation
B4	Consistency with the Amazon Fund topics
B5	Consistency with the federal plan and the state plans to prevent and combat deforestation
B6	Consistency with PAS
B7	Contribution to REDD+
B8	Additional resources
B9	Counter-application
B10	Territorial base
B11	Advertising and transparency
B12	Project sustainability
B13	Decentralization of resources
B14	Benefits of collective use
B15	Not replacing other sources of financing

<b>CODE</b>	<b>RESTRICTIONS</b>
D1	Daily payment
D2	Payment to individuals
D3	Taxes
<b>EQUALITY CRITERIA IN RESOURCE APPLICATION</b>	
<b>CODE</b>	<b>CRITERIA</b>
E1	Equality in resource application per state
E2	Equality per type of proponent
<b>RESOURCE APPLICATION RESTRICTIONS</b>	
<b>CODE</b>	<b>RESTRICTIONS</b>
F1	Projects with economic purposes
F2	Projects with economic purposes to support socially-disadvantaged groups
F3	Projects with economic purposes of collective use Local Production Arrangements (APLs)
F4	Projects with economic purposes of scientific and technological research developed in cooperation with Technology Institutions (ITs) and entities with economic purposes.

## GUIDANCE CRITERIA

### A1 – GEOGRAPHY

Projects carried out in the priority municipalities to prevent, monitor and combat deforestation (these municipalities are defined in accordance with Article 2 of Law N°. 6,321/2007);

Projects carried out in municipalities within the scope of PAC's large-scale works ; and

Projects carried out in municipalities/regions with more substantial forest coverage.

### A2 – TOPIC

Efforts to enhance the standing forest (conservation and sustainable use)

- Promote and increase the scale of production of timber and non-timber forest products from sustainable forest management, including management plans, research, innovation, and scientific and technology dissemination, market development, training and qualification;
- Implement payment systems for environmental services associated with the maintenance of and/or increase in forest coverage and/or forest and agro-forestry systems;
- Develop and implement recovery models for APPs and Legal Reserve, with emphasis on economic use; -the economic use of APPs will only be supported in accordance with the legislation in effect.
- consolidate protected areas, especially the Conservation Units for Sustainable Use and Indigenous Land;

Efforts to promote land-title regularization and land-use planning

- Defining a destination for Public Forests that have not been assigned a destination, with priority on community forests;
- Reprimand for illegal appropriation of land, land-title regularization and land-use planning, preferably in areas with a higher concentration of wealth and/or conflicts; land-title regularization includes regularization processes and society's follow up on said processes;

Efforts to structure and integrate the control systems, environmental monitoring and surveillance in the Amazon

- Support to structure state agencies responsible for environmental management.
- Support to implement municipal systems to monitor and supervise the environment;
- Structure and integrate control systems for forest management, environmental licensing of rural properties and tracking, as well as custody chains for agricultural and forestry products;
- Expand and intensify systems that monitor deforestation and forest degradation.

### A3 – DIVERSITY OF AGENTS INVOLVED AND SHARED GOVERNANCE

Projects involving contact between diverse agents from the public and private sector, third sector or local communities with a shared governance structure.



**A4 – TARGET AUDIENCE**

Projects involving direct benefits for traditional communities, settlements and family farmers.

**A5 – RELEVANCE**

- Projects with the highest potential for multiplication
- Projects with the highest potential impact (e.g. R\$ / sustainably managed or protected hectare of forest)

**A6 – BNDES APPLICATION LINES**

Prioritize projects including the lines (a) sustainable production activities and (d) scientific and technological development. The BNDES should endeavour efforts to apply resources in priority areas, including instruments to increase demand .

**MINIMUM REQUIREMENTS FOR PROJECTS****B1 – RESULT INDICATORS**

Project must include measurable indicators for results that are directly related to the Amazon Fund's goals .

**B2 – APPLICANTS / EXECUTORS**

Projects must include the agreement of all partners and co-executors.

**B3 – SOCIAL PARTICIPATION**

Projects involving traditional communities and indigenous people must necessarily present documents certifying the previous consent of these communities or their representative institutions. The communities involved should be explained in the project. Projects related to the responsibility of public agencies, or the establishment of public policies do not need the consent of beneficiaries.

**B4 – CONSISTENCY WITH THE AMAZON FUND TOPICS**

Projects must be compatible with at least one topic, as stated in Law N°. 6,527/2008.

**B5 – CONSISTENCY WITH THE FEDERAL PLAN AND STATE PLANS TO PREVENT AND COMBAT DEFORESTATION**

Projects must present clear evidence that they are in coherence with efforts established in the PPCDAm and in State Plans to Prevent and Combat Deforestation. In the absence of the State Plan to Prevent and Combat Deforestation, the criteria are not applied.

**B6 – CONSISTENCY WITH PAS**

Projects must present clear evidence that they are in coherence with PAS guidelines.

**B7 – CONTRIBUTION TO REDD+**

Projects must directly or indirectly contribute towards REDD+.

**B8 – ADDITIONAL RESOURCES**

Projects must represent additionality to public budgets allocated to the Amazon Fund's application areas.

**B9 – COUNTER-APPLICATION**

Projects must present counter-application and/or non-financial contributions, showing additionalities to resources taken from the Amazon Fund and produce a multiplying effect for fund investments. Counter-applications can be in the form of financial resources directly invested in the project or by providing infrastructure, personnel and other indirect forms.

The following aspects will be considered when applying this criterion:

- Average budget executed in the two years prior to public budget invested in the proposed effort;
- Degree of resource control in the public budget to implement the effort;
- Forecasts from current government multi-annual plans (PPA).

**B10 – TERRITORIAL BASE**

Projects must clarify their territorial base (state and, where applicable, municipality)

**B11 – ADVERTISING AND TRANSPARENCY**

Projects must present an advertising mechanism for its implementation through the Internet. The BNDES will provide a standardized tool for integrating and disseminating updated information regarding the implementation of all projects.

**B12 – PROJECT SUSTAINABILITY**

Submit support strategies for the project's results after its implementation.

**B13 – DECENTRALIZATION OF RESOURCES**

In the Fund's efforts, there must be an effort to balance support in all its topic areas, in accordance with the priorities that are established.

**B14 – BENEFITS OF COLLECTIVE USE**

The results of projects with economic purposes must be of collective or for public use and related to:

- Production infrastructure for collective use;
- Studies and surveys and results are to be made available to the community;
- Training and qualification open to the community;
- Technological development with results; open to the community, whenever feasible;
- Replicable innovations and practical application
- Other collective benefits identified in the assessment process

**B15 – NOT REPLACING OTHER SOURCES OF FINANCING**

The Amazon Fund resources cannot replace other available sources of financing.

**RESOURCE APPLICATION MODALITIES****C1 – DIRECT APPLICATION – INVESTMENT**

Applications made directly by project executors, even through third-party contracts. This includes investments in buildings, equipment, training and qualification to establish initiatives. Projects may use more than one modality.

**C2 – DIRECT APPLICATION – FINANCING**

Applications made directly by project executors, even through third-party contracts. This includes travel expenses/field missions, individual or company consulting, field materials, communication, among others. Projects may use more than one modality.

**C3 – PAYMENT FOR ENVIRONMENTAL SERVICES**

Payments made to providers of environmental services. Projects may use more than one modality.

**C4 – LONG-TERM CONTINUED SERVICES**

Services that should be carried out in the long term to obtain long-term results, such as monitoring deforestation or forest degradation, forest inventory, among others. Continued service projects may be up to 10 years and must have a continuous tracking mechanism for implementing and publicly disclosing the results. Projects may use more than one modality.

**C5 – INDIRECT APPLICATION**

Indirect applications by aggregating small projects, including funds and other organizations that implement projects.

**RESOURCE USE RESTRICTIONS****D1 – OUT-OF-POCKET EXPENSE PAYMENTS**

No out-of-pocket expense payments will be made to public agents, such as civil servants, public employees or any person in a public post. This restriction does not apply in the case of financing for research activities.

**D2 – PAYMENT TO INDIVIDUALS**

No payment of wages or any kind of remuneration will be made to full-time civil servants at any of the three levels of government (this restriction does not apply to scholarships or research specifically related to the project).

**D3 – TAXES**

Resources cannot be applied to pay taxes that are not inherent or an integral part of financing or investments made by the project (restriction does not apply to taxes related to project activities, such as ICMS (valued-added tax on sales and services) included in the price of products; INSS (National Institute of Social Security) on the payment for the services of individuals etc.)

**EQUALITY CRITERIA IN RESOURCE APPLICATION****E1 – EQUALITY IN RESOURCE APPLICATION PER STATE**

Avoid concentration of project resources in one state only

**E2 – EQUALITY PER TYPE OF APPLICANT**

Avoid concentration of resources among applicants: government agencies, research institutions and civil society organizations. Within the context of the Amazon Fund, civil society includes non-governmental organizations, unions/guilds (representations for categories), firms and other institutions governed by private law.

## RESOURCE APPLICATION LIMITATIONS

### F1 – PROJECTS WITH ECONOMIC PURPOSES

The Amazon Fund maximum participation:

- 90% for projects that involve small and micro businesses, producer cooperatives or associations with annual gross operating revenues less than or equal to R\$ 10.5 million;
- 70 % for projects that involve medium-sized businesses, producer cooperatives or associations with annual gross operating revenue above R\$ 10.5 million and less than or equal to R\$ 60 million;
- 50% for projects that involve large companies, producer cooperatives or associations with annual gross operating revenue above R\$ 60 million.

Note: In the event of early activities in the calendar year, above limits will be proportional to the number of months in which the company has been operating, not considering fractions of months. In the case of companies under implementation, the annual sales projection will be considered, taking into account the total installed capacity. When the company is controlled by another company, or belongs to a business group, the size classification will consider the consolidated gross operating revenue.

### F2 – PROJECTS WITH ECONOMIC PURPOSES TO SUPPORT SOCIALLY DISADVANTAGED GROUPS

Maximum share of the Amazon Fund, in duly justified cases: 100%. Economic results brought about by projects to support socially-disadvantaged groups should be distributed to the members, regardless of who the applicant is.

### F3 – PROJECTS WITH ECONOMIC PURPOSES FOR LOCAL PRODUCTION ARRANGEMENTS (APL) FOR COLLECTIVE USE

Maximum share of the Amazon Fund: 90%

### F4 – PROJECTS WITH ECONOMIC PURPOSES FOR SCIENTIFIC AND TECHNOLOGICAL RESEARCH DEVELOPED IN COOPERATION WITH TECHNOLOGY INSTITUTIONS (IT) AND COMPANIES WITH ECONOMIC PURPOSES

Maximum share of the Amazon Fund:

- 90 % for projects involving small and micro businesses, producer cooperatives or associations with annual gross operating revenues less than or equal to R\$ 10.5 million;
- 80% for projects involving medium-sized businesses, producer cooperatives or associations with annual gross operating revenue greater than R\$ 10.5 million and less than or equal to R\$ 60 million;
- 70% for projects involving large companies, producer cooperatives or associations with annual gross operating revenue above R\$ 60 million – see note in item F1
  - » Beneficiaries of the financial resources from the Amazon Fund will be Technological Institutions (ITs) and/or Support Institutions (IAs).
  - » Technological Institution (IT): companies governed by internal public law or an entity directly or indirectly controlled by it or a non-profit company governed by, private law, whose institutional mission, among others, is to carry out basic or applied research activities of a scientific or technological character, as well as technological development.
  - » Supporting Institutions (IA): non-profit institutions created to support research, teaching, and extension and institutional, scientific and technological development of interest to higher education institutions and scientific and technological research institutions and those institutions created under the terms of Law N°. 8,958, of December 20, 1994, which have the same purpose;
  - » Companies and/or other entities with economic purposes with a strategic interest in research will not be direct beneficiaries of resources. They intermediate financing operations and will provide financial contribution to supplement the Amazon Fund's resources.
  - » Support is offered to investments made to benefit the Technological Institutions (IT), with a special purpose to meet project goals;
  - » Participation in the intellectual property and economic results from project creations will adhere to provisions in the Innovation Law (Law N°. 10,973, of December 2, 2004). Thus, the parties, in agreement, will establish the ownership of intellectual property and profit sharing. Provided they are established in the agreement, these will be proportionately secured at a rate equivalent to the aggregate value of existing knowledge at the beginning of the partnership and of human, financial and material resources allocated by the Contracting Parties in the project.
  - » During analysis, the BNDES will check related aspects of intellectual property rights resulting from the research, development and innovation project so as to avoid, when appropriate, practices that restrict use and assignment of these rights. In addition to the matters referred to, the BNDES, in the analysis stage, will also verify the criteria for divvying up the project's financial results.

## Guidelines and criteria to apply the Amazon Fund's resources in projects to develop systems to monitor and control deforestation in other Brazilian biomes

APPLICATION	APPLICATION LIMIT OF THE TOTAL RESOURCES AVAILABLE IN THE YEAR	TABLES
Projects in other Brazilian biomes and other tropical countries	20%	G and H
<b>GUIDANCE CRITERIA</b>		
<b>G1 – DIVERSITY OF AGENTS INVOLVED AND SHARED GOVERNANCE</b>		
Projects involving contact between diverse agents, public, private and third sector or local communities with a shared governance structure.		
<b>G2 – RELEVANCE</b>		
Projects that develop and implement long-term monitoring methodology for REDD+.		
<b>G3 – PRIORITY</b>		
Within the scope of support for other Brazilian biomes, priority will be given to permanent monitoring system projects per biome, which contribute to nationwide system for monitoring and controlling deforestation, burn-offs and forest fires, in accordance with the prevention and control plans.		
<b>G4 – SCOPE</b>		
Rural Environmental Registration (CAR) projects are considered part of the environmental control systems.		
<b>MINIMUM REQUIREMENTS FOR PROJECTS</b>		
<b>G5 – RESULT INDICATORS</b>		
Projects must include measurable result indicators that are directly related to implementing systems so as to monitor deforestation or forest degradation.		
<b>G6 – APPLICANTS/EXECUTORS</b>		
Projects must include agreement between all partners and co-executors.		
<b>G7 – SOCIAL PARTICIPATION</b>		
Projects must have a monitoring phase, necessarily featuring governmental entities and civil society. Projects involving the development of monitoring systems should have a monitoring phase that necessarily includes the participation of governmental entities and civil society. Communities involved should be explained in the project. Projects related to the tasks to be carried out by public agencies, or to the formation of public policies do not necessarily require the beneficiaries' consent.		
<b>G8 – CONTRIBUTION TO REDD+</b>		
Projects must contribute directly or indirectly towards REDD+.		
<b>G9 – ADDITIONALITY OF RESOURCES</b>		
Projects must represent public budgets additionalities to public budgets earmarked for Amazon Fund application.		
<b>G10 – COUNTER-APPLICATION</b>		
Projects must present counter-applications and/or non-financial contributions, demonstrating the additionalities to resources taken from the Amazon Fund and producing a multiplying effect for the Fund's investments. Contributions can be in the form of financial resources directly invested in the project or by providing infrastructure, personnel and other indirect forms. While applying this criterion, the following aspects may be considered: average budget used in the 2 previous years in the public budget invested in the proposed effort; degree of control on the public budget to implement the effort; and the forecasts from the current government multiannual plans (PPAs).		
<b>G11 – TERRITORIAL BASE</b>		
Projects must necessarily address the monitoring of forests of at least one entire biome.		
<b>G12 – ADVERTISING AND TRANSPARENCY</b>		
Monitoring systems supported by the Amazon Fund will be based on platforms that enable broad dissemination, transparency and access to data produced, via the internet. The BNDES will provide a standardized tool for integrating and disseminating updated information regarding the implementation of all projects.		
<b>G13 – PROJECT SUSTAINABILITY</b>		
Demonstration of the capacity to economically sustain the project after it is implemented.		
<b>G14 – DECENTRALIZATION OF RESOURCES</b>		
In the Fund's efforts, there must be an effort to balance support in all its topic areas, in accordance with the priorities that are established.		

## RESOURCE APPLICATION MODALITY

### G15 – DIRECT APPLICATION – INVESTMENT

Applications made directly by project executors, even through third-party contracts.

This includes investments in buildings, equipment, training and qualification to establish initiatives. Projects may use more than one modality.

### G16 – DIRECT APPLICATION – FINANCING

Applications made directly by project executors, even through third-party contracts.

This includes travel expenses/field missions, individual or company consulting, field materials, communication, among others. Projects may use more than one modality.

## RESOURCE USE RESTRICTIONS

### G17 – OUT-OF-POCKET EXPENSE PAYMENTS

No out-of-pocket expense payments will be made to public agents, such as civil servants, public employees or any person in a public post. This restriction does not apply in the case of financing for research activities.

### G18 – PAYMENT TO INDIVIDUALS

No payment of wages or any kind of remuneration will be made to full-time civil servants at any of the three levels of government (this restriction does not apply to scholarships or research specifically related to the project).

### G19 – TAXES

Resources cannot be applied to pay taxes that are not inherent or an integral part of financing or investments made by the project (restriction does not apply to taxes related to project activities, such as ICMS (valued-added tax on sales and services) included in the price of products; INSS (National Institute of Social Security) on the payment for the services of individuals etc.).

## EQUALITY CRITERIA IN RESOURCE APPLICATION

### G20 – EQUALITY IN RESOURCE APPLICATION PER STATE

Avoid concentration of project resources in one state only.

## Guidelines and criteria to apply the Amazon Fund's resources in projects to develop systems to monitor deforestation in other tropical countries

APPLICATION	APPLICATION LIMIT OF THE TOTAL RESOURCES AVAILABLE IN THE YEAR	TABLES
Projects in other Brazilian biomes and other tropical countries	20%	G and H

## GUIDANCE CRITERIA

### H1 – DIVERSITY OF AGENTS INVOLVED AND SHARED GOVERNANCE

Projects involving contact between diverse agents, public, private and third sector or local communities with a shared governance structure.

### H2 – RELEVANCE

Countries with large-scale forest coverage.

### H3 – SCOPE

In other tropical countries, the Amazon Fund support will be limited to projects that contribute to creating or improving systems to monitor forest coverage.

Forest coverage monitoring systems is understood as applying techniques that involve processing (e.g., geo-referencing, enhancements and rating) images of the Earth's surface (aerial or satellite) to map out vegetation by using information produced (e.g., preparation of maps, spatial and statistics analysis) to improve forest management.

## MINIMUM REQUIREMENTS FOR PROJECTS

### H4 – RESULT INDICATORS

Projects must include measurable result indicators that are directly related to implementing systems so as to monitor deforestation or forest degradation.

### H5 – APPLICANTS/EXECUTORS

Projects must be presented by the central government of the beneficiary country, multilateral institutions or by Brazilian governmental institutions, and, in the two latter cases, must have the formal consent of the central government of the country that will benefit from the efforts in the project.

**H6 – SOCIAL PARTICIPATION**

Projects must have a monitoring phase, necessarily featuring governmental entities and civil society. Projects related to the tasks to be carried out by public agencies, or the formation of public policies do not necessarily require the beneficiaries' consent.

**H7 – CONTRIBUTION TO REDD+**

Projects must contribute directly or indirectly towards REDD+.

**H8 – COUNTER-APPLICATION**

Projects must present counter-applications and/or non-financial contributions, demonstrating the additionalities to resources taken from the Amazon Fund and producing a multiplying effect for the Fund's investments. The following aspects may be considered: average budget executed in the two previous years in the public budget invested in the proposed effort; degree of control of the public budget to implement the effort; and the forecast for current government multiannual plans. The contributions can be in the form of financial resources directly invested in the project or by the provision of infrastructure, personnel and other indirect forms.

**H9 – ADVERTISING AND TRANSPARENCY**

Monitoring systems supported by the Amazon Fund will be based on platforms that enable broad dissemination, transparency and access to data produced, via the internet.

**H10 – PROJECT SUSTAINABILITY**

Demonstration of the capacity to economically sustain the project after it is implemented. The BNDES will provide a standardized tool for integrating and disseminating updated information to implement all projects.

**H11 – DECENTRALIZATION OF RESOURCES**

In the Fund's efforts, there must be an effort to balance support in all its topic areas, in accordance with the priorities that are established.

**H12 – PREVIOUS PHASE**

As a stage to consider international projects, the BNDES, prior to project eligibility, will request a formal assessment from the Ministry of Foreign Affairs (MRE) on the priority and the impacts of the project with regard to Brazil's foreign relations.

**RESOURCE APPLICATIONS MODALITIES****H13 – DIRECT APPLICATION – INVESTMENT**

Applications made directly by project executors, even through third-party contracts.

This includes investments in buildings, equipment, training and qualification to establish initiatives. Projects may use more than one modality.

**H14 – DIRECT APPLICATION – FINANCING**

Applications made directly by project executors, even through third-party contracts.

This includes travel expenses/field missions, individual or company consulting, field materials, communication, among others. Projects may use more than one modality.

**RESOURCE USE RESTRICTIONS****H15 – OUT-OF-POCKET EXPENSE PAYMENT**

No out-of-pocket expense payments will be made to public agents, such as civil servants, public employees or any person in a public post. This restriction does not apply in the case of financing for research activities.

**H16 – PAYMENT TO INDIVIDUALS**

No payment of wages or any kind of remuneration will be made to full-time civil servants at any of the three levels of government (this restriction does not apply to scholarships or research specifically related to the project).

**H17 – TAXES**

Resources cannot be applied to pay taxes that are not inherent or an integral part of financing or investments made by the project.

**EQUALITY CRITERIA IN RESOURCE APPLICATION****H18 – EQUALITY IN RESOURCE APPLICATION PER STATE**

Avoid project concentration in the same country.

## Focus to support the Amazon Fund in 2013 and 2014

### GENERAL GUIDANCE

#### 11 – FOCUS FOR 2013 AND 2014

In the following items, the Amazon Fund's focus efforts for 2013 and 2014 are defined, while guidelines and additional criteria are established. Support for projects presented by governments must represent additionality to public budgets allocated to the Amazon Fund application areas.

#### 12 – CONDITIONS TO SUPPORT STATES

Support for new projects submitted by state governments will be conditioned to the fact that the state concerned is preparing to make the required investment to implement CAR in its territory, with resources from the Amazon Fund, or from other sources.

In contracts between the Amazon Fund and states, a contractual obligation, along with its established review, should be included by states, as well as their plans to prevent and combat deforestation, if they are out of date.

Support for projects combating forest fires or burn-offs will be conditioned to the firefighter brigades'/state governments' commitment to be ready to operate in environmental emergencies involving forest fires when formally requested by the Ministry of the Environment.

#### 13 – RESEARCH INFRASTRUCTURE

The Amazon Fund's support for scientific and technological development will include support for the necessary research infrastructure.

#### 14 – PROJECT CONSOLIDATION OR EXPANSION

Direct support is authorized for the second phase of projects previously supported by the Amazon Fund, including those completed or in the final stage of implementation, which aims at continuing and expanding its results. Priority will be given to those that are in accordance with the focus efforts for 2013 and 2014.

### AMAZON BIOME – MONITORING AND CONTROL

#### 15 – ENVIRONMENTAL REGULARIZATION AND RURAL ENVIRONMENTAL REGISTRATION (CAR)

To foster the environmental regularization process for rural properties and temporary land possession, by registering on the Rural Environmental Register (CAR) and strengthening CAR state management systems, aimed at integration into the Rural Environmental Register System (SICAR).

Support to implement the CAR will be a priority offered through operations with the states, which may establish partnerships /contracts within the scope of Law N°. 8,666/1993 to carry out the necessary efforts. It is up to the Ministry of the Environment to define minimum requirements to establish state systems. As a priority It will be up to the states to contract financial support from the Amazon Fund to implement these efforts, and take direct responsibility for implementing it and rendering the corresponding accounts to the BNDES.

#### 16 – NATIONAL SYSTEM TO CONTROL FOREST PRODUCTS

To structure the national system to control the origin of wood, coal and other products or forest by-products and their integration with the Legal Amazon state systems and with the SICAR.

#### 17 – ENVIRONMENTAL SUPERVISION AND POLICING

To strengthen the inspection federal and state governments' structures and environmental policing, with criteria that ensure joint efforts.

#### 18 – MUNICIPAL ENVIRONMENTAL MANAGEMENT

To strengthen municipal environmental management, to implement CAR and /or decentralize environmental licensing activity of local impact that is legally delegated to it.

The support to structure municipal environmental agencies will be offered exclusively through operations with states, which will have the responsibility to bring these demands together and make efforts to cover all the municipalities in the territory, through a participatory process of project construction.

#### 19 – UNAUTHORIZED FOREST FIRES AND BURN-OFFS

To support efforts against unauthorized forest fires and burn-offs presented by government agencies with expertise in the Legal Amazon.

#### 110 – MONITORING

Support to monitor deforestation, forest degradation and burn-offs in the Amazon Biome, mainly in indigenous lands located in areas suffering from severe deforestation.

### AMAZON BIOME – FOSTER SUSTAINABLE PRODUCTION ACTIVITIES

#### 111 – GREEN SETTLEMENT PROGRAMME

To implement the "Green Settlement Programme" (a programme for the Prevention, Combat and Alternatives to Illegal Deforestation in the Amazon Settlements-PPCADI-Amazon), primarily in: (i) settlements situated in the municipalities included in the Ministry of the Environment in the municipality list of priority for efforts against deforestation and (ii) the settlements with a more substantial forest coverage.

#### 112 – SUSTAINABLE FOREST MANAGEMENT

Support for sustainable timber management.



**I13 – EXTRACTION ECONOMY**

More importance given to the extraction economy in conservation units for sustainable use and their buffer zones in support of the socio-biodiversity national plan, with priority for (i) the extraction reserves (RESEX) where there are high deforestation rates; and (ii) conservation units in the Green Assistance Programme.

**I14 – ENVIRONMENTAL REGULARIZATION PROGRAMMES**

Support to recover permanent preservation areas and legal reserves, aimed at implementing the environmental regularization programmes, for temporary land possession and farms.

**I15 – FAMILY FARMING**

Support for sustainable production activities in communities formed mostly by family farmers.

**AMAZON BIOME – LAND-TITLE REGULARIZATION AND LAND-USE PLANNING****I16 – LAND-TITLE REGULARIZATION**

Land-title regularization for public land, with priority given to areas suffering from severe deforestation; priority is also given to digitalizing land titles and building or consolidating state land-title maps, as well as computerizing property registration and records of state land agencies.

Financial compensation for expropriation will not receive support.

**I17 – INDIGENOUS LAND**

Preparing and implementing territorial and environmental management plans for indigenous land, in compliance with the National Policy of Territorial and Environmental Management of Indigenous Territory (PNGATI).

**I18 – PROTECTED AREAS**

Creating and consolidating protected areas.

**AMAZON BIOME – SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT****I19 – SOCIO-BIODIVERSITY NEW PRODUCTS**

Support for scientific and technological research focused on biodiversity product sectors, including the development of new products from the Amazonian biodiversity-pharmaceuticals, plant health care, medicines, cosmetics and other products of interest to the chemical and food industries.

**I20 – SUSTAINABLE PRODUCTION ACTIVITIES**

Scientific and technological research aimed at timber forest management, at recovering degraded areas, at integrating farming-cattle-raising-forestry (ILPF), and at sustainable fishing and aquaculture.

**I21 – ECO SYSTEMIC SERVICES**

Developing methodologies to measure the stock and capacity to store the Amazon Forest's biomass carbon, as well as to measure other ecosystem services.

**I22 – NATIVE FORESTRY**

Developing technology for native species forestry, including the production and storage of seeds and saplings.

**I23 – MONITORING AND DEFORESTATION CONTROL SYSTEMS**

Developing system technology to monitor and control deforestation and process surface images of Earth to map out vegetation so as to support forest management.

**I24 – NEW STANDARDS OF SUSTAINABLE DEVELOPMENT**

Socio-economic research with participative methodologies for new sustainable development standards in the region.

**AMAZON BIOME – OPERATIONAL MODALITIES****I25 – GUIDANCE**

The focuses defined in items I5 to I24 will be supported exclusively through direct presentation of structuring projects or projects selected through calls-to-submission promoted directly by the Amazon Fund (the BNDES) or through partner institutions.

**I26 – STRUCTURING PROJECT**

A structuring project cumulatively meets the following criteria:

It contributes to implementing a public policy.

It is responsive in relation to the problem situation.

It has scale in the territory (whenever the project develops its efforts in the territory).

The criterion "have scale in the territory" will be considered met when, for example, the efforts of the project cover in its entirety a set of municipalities, settlements or protected areas, a state planning region, the surrounding areas of PAC works etc. Defining territorial scale must be done according to the characteristics of the project and its respective public policies.

Structuring projects can be proposed by (a) federal government agencies; (b) state or government agencies; and (c) private non-profit organizations.

In the case of scientific and technological development projects, structuring projects can be proposed by scientific and technological institutions, and/or their supporting foundations and/or civil society organizations whose purpose is thus defined in its articles of incorporation or bylaws, or, proposed by the federal or state government agencies. Within the scope of scientific and technological development, initiatives that target the development of innovative strategies to combat deforestation may also be supported in the direct modality.

#### **I27 – CALLS-TO-SUBMISSION**

In addition to the calls-to-submissions held directly by the Amazon Fund (the BNDES), support for partner institutions will be admissible so as to promote calls-to-submissions for projects. Partner institutions must prove experience, knowledge and operational capacity to offer quality and scale to calls-to-submission. Partner institutions are understood as third-sector entities and those from federal and state governments.

The Amazon Fund will be permanently open for partner institutions to present requests for financial collaboration, which seek support for calls-to-submissions for projects, with a focus on priority efforts in 2013 and 2014, as per items I5 to I24.

The calls-to-submission held directly by the Amazon Fund or those supported indirectly through partner institutions, should be subject to advertising, disclosing, via the Internet, the Amazon Fund or the responsible partner institutions, as may be the case.

Support may also be offered to study and research in the Amazon Fund's specific areas, chosen by the BNDES, through calls-to-submission, which directly or indirectly enable the creation of projects that may lead to significant public and private investments.

#### **AMAZON FUND SUPPORT IN OTHER BRAZILIAN BIOMES**

##### **I28 – RURAL ENVIRONMENTAL REGISTRATION (CAR) AND ENVIRONMENTAL REGULARIZATION PROGRAMME**

The following will be supported: (i) mainly projects presented by state governments containing xeric shrub land (caatinga) and/or hinterland, aiming at fostering environmental regularization of temporary land possession and rural properties, through registration on the Rural Environmental Register (CAR), via membership and enrollment on the Rural Environmental Register System (SICAR); and (ii) to develop monitoring systems for the Environmental Regularization Programme (PRA).

#### **AMAZON FUND SUPPORT IN OTHER TROPICAL COUNTRIES**

##### **I29 – SYSTEMS TO MONITOR DEFORESTATION IN OTHER TROPICAL COUNTRIES**

Support from the Amazon Fund is still authorized for projects that contribute to creating or improving monitoring systems for forest coverage in other tropical countries, according to current guidelines and criteria (see items H1 to H18).

PRESIDENT OF THE REPUBLIC

Dilma Rousseff

MINISTER OF THE ENVIRONMENT

Izabella Teixeira

MINISTER OF DEVELOPMENT, INDUSTRY AND FOREIGN TRADE

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Gabriel Rangel Visconti

HEAD OF THE AMAZON'S FUND MANAGEMENT DEPARTMENT

Juliana de Mello Queiroz Santiago

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